

ECONOMIC DEVELOPMENT AGREEMENT

THIS ECONOMIC DEVELOPMENT AGREEMENT, ("Agreement"), is made and executed this 7th day of July, 2016, among **HUTTON GLEASON PLACE LC, LLC** whose mailing address is **706 Cherry Street, Chattanooga, TN 37402** (the "Company"); and **COLUMBIA COUNTY, FLORIDA**, a political subdivision of the State of Florida, whose mailing address Post Office Drawer 1529, Lake City, Florida 32056-1529, (the "County").

PREMISES FOR AGREEMENT

A. The Company is in the business of developing real property for commercial use, and will develop a commercial or retail development consisting of a substantial capital investment in Columbia County (herein the "Project") with an estimated future assessed value of approximately TWELVE MILLION and 00/100 Dollars (\$12,000,000.00). The Project is planned to be located and constructed on a tract at the terminus point of SR 247 (Branford Highway) at US Highway 90 West in Columbia County, Florida, the real property being depicted in Exhibit "A" attached hereto and further described in section 1 of this Agreement (herein the "Site").

B. The economy, including the work force of Columbia County, Florida, would greatly benefit from the location of a development such as the one the Company proposes to construct in Columbia County which will provide employment to residents and citizens of Columbia County, including the potential for economic development, substantially increased sales taxes, increased ad valorem taxes, non-ad valorem assessments, and general economic growth and revenues from such development and business operations and opportunities which will be provided by the Company. It is the legitimate business and public policy of the local and state governments under Florida law to encourage, engender, promote, and support programs that provide impetus for economic development for the purpose of alleviating unemployment and promoting the local economy and the State through the location of new and expanded business within the County and the State.

C. The Company desires to construct the Project in the County, and in order to induce the County to provide incentives set forth in this Agreement, the Company has made estimates regarding its capital investment and growth potential for the Project as hereinafter defined. In order to induce the Company to construct the Project and maximize potential returns of tax dollars to the County, the County has offered certain incentives to the Company, and the parties intend to memorialize the agreement among and between them by entering into this Economic Development Agreement. The parties acknowledge that through compliance with this Agreement the resulting economic benefits to the Columbia County community will be substantial.

D. The parties acknowledge that the agreements and representations set forth herein may be subject to further actions that the parties must undertake to construct the Project and implement the incentives described in this Agreement including, specifically, certain statutory and regulatory proceedings of the parties, and local and state governments.

NOW, THEREFORE, in consideration of the premises and the sum of Ten and No/100 (\$10.00) Dollars and other valuable consideration, including the mutual covenants set forth herein,

the receipt and sufficiency of which is hereby acknowledged by the parties, the parties covenant and agree as follows:

1. **SITE AND PROJECT.** The Company agrees to develop the Site and Project as a lawfully, properly permitted commercial development including necessary infrastructure improvements and equipment for the Project and Site to expedite development of the Project and Site. The Project and Site are further defined as follows:

The Site shall be situated upon the parcel currently known as Columbia County Parcel No. 36-3S-16-02611-014 and the parcel currently known as Columbia County Parcel No. 36-3S-16-02611-015 (collectively herein the "Parcel"). Nothing in this Agreement shall be construed as restricting the Company or its successors or assigns from combining or subdividing parcels in accordance with then existing law, ordinance or regulations.

The Project shall consist of horizontal site work such as sidewalks, earthwork, stormwater controls, potable water systems, sanitary sewer systems, parking lots, curbs and gutter interior to each lot, underground utilities constructed to each lot's property lines and vertical improvements including buildings and any landscaping required by code on each lot. Each building constructed on the Site will comply with all governing building codes and all uses allowed under the then-current zoning.

2. **COMPANY'S REPRESENTATIONS AND ASSURANCES.** As an additional incentive to the County for the performance of its obligations under the terms of this Agreement, the Company agrees as follows:

a. In reliance upon the incentives herein provided, the Company shall, at its expense, develop the Site for commercial and/or retail purposes.

i) For purposes of this Agreement, "development of the Site" means construction of a minimum of eighty-five thousand (85,000) square feet of retail space with a certificate of occupancy issued on or before January 1, 2019.

b. Beginning on the date on which the certificate of occupancy is issued, for each year thereafter for the duration of this Agreement the Company shall maintain minimum average occupancy of not less than eighty-five thousand (85,000) square feet of retail space at the developed Site. For any calendar year in which the Company fails to maintain this minimum average occupancy the Company shall be ineligible to receive the incentives provided by this Agreement. The failure to maintain occupancy during any year following issuance of the certificate of occupancy shall not operate to terminate this Agreement; however, this Agreement shall be lapsed during any year or years of insufficient occupancy. The Company shall be ineligible to receive benefits during the years of insufficient occupancy but this Agreement shall continue to run.

c. The Company will provide the County with a certificate of good standing and its authorization to do business in the State of Florida from the Secretary of the State of Florida together with a copy of the Company's management or operating agreement, and the name and address of all principals of the Company.

d. The Company has all requisite power, authority, license, permits, corporate or otherwise, to execute and deliver this Agreement and perform its obligations hereunder. The Company's execution, delivery and performance of this Agreement have been duly authorized by or in accordance with its organizational and governing instruments, and this Agreement has been duly executed and delivered for it by signatories so authorized, and it constitutes a legal, valid, and binding obligation of the Company.

e. The Company and the County have not received any notice nor to the best of their knowledge is there any pending or threatened notice of any violation of any applicable laws, ordinances, regulations, rules, decrees, permits or orders which would materially and adversely affect their respective ability to perform under this Agreement.

3. **ECONOMIC DEVELOPMENT INCENTIVES.** So long as the Company is not in default under this Agreement, the County shall provide the Company with economic development incentives as follows:

a. Upon completion of the development of the Site and issuance of a certificate of occupancy as provided above, the County shall, for a period of ten years commencing with the first year in which the Parcel's tax assessed value reflects the added value of the development of the Site, rebate the County's portion of any increase in ad valorem taxes assessed against and collected for the Parcel when compared to a "Baseline Year". The Baseline Year shall be defined as the County's portion of ad valorem taxes assessed against the Parcel as of July 1, 2016. The County shall rebate or refund to the Company only those sums actually paid by or on behalf of the owners of the Site or any portions of the Site, and this Agreement shall not be construed as abating or exempting the Site or any portion of the Site from ad valorem taxes. The County's obligation to rebate or refund such amounts shall not run with the land, but rather is a contractual right vested with the Company as long as it is not in breach of this Agreement and all taxes are paid timely or a default is timely cured during the ten year period during which the Company is entitled to the rebate or refund.

b. Commencing with the first tax year reflecting the added value of the development of the Site, the County shall remit the refund provided in section 3.a. above for up to ten consecutive years so long as the Company:

- i) Completes development of the Site and secures issuance of a certificate of occupancy for not less than eighty-five thousand (85,000) square feet of retail space at the Site; and
- ii) Maintains annual average occupancy for at least eighty-five thousand (85,000) square feet of retail space at the Site.

c. For any calendar year occurring after the certificate of occupancy issue date in which the Company fails to maintain average occupancy of eighty-five thousand (85,000) square feet of retail space at the Site, the Company shall be ineligible to receive any rebate under this Agreement. Such failure shall not operate to terminate this Agreement, rather, the Agreement shall continue in force, such that for any year the

Company succeeds in maintaining average annual occupancy of eighty-five thousand (85,000) square feet of retail space at the Site, the rebate shall be available to the Company.

d. The Company shall only be rebated taxes actually and timely paid to the County for the Site for the subject tax year. No rebate shall be paid for taxes in arrears until such time as taxes are made current.

e. For purposes of this Agreement "occupancy" shall mean active, operating occupancy by a third party leasing a defined quantity of square footage on the developed Site. "Active," shall mean that a lease is effective and binding on the parties and the tenant is either i.) open for business; or ii) employees of the tenant are present on the Site on a regular basis performing pre-opening tenant activities, which may include making tenant improvements to the leased space, interviewing and hiring employees and preparing to open for business. A space shall not be considered occupied if there is no lease effective and binding on the parties for a period of 30 consecutive days or longer during the calendar year, or if a lease is effective, but not "active" as defined above for a period of 30 consecutive days during the calendar year.

4. **AMENDMENT.** This Agreement may be amended in writing at any time and from time to time, as may be mutually agreed to by the Company and the County.

5. **NOTICES.** Whenever notices are permitted or required with respect to this Agreement, the same shall be given in writing.

6. **ADDITIONAL DOCUMENTS.** The parties agree to execute and deliver such additional instruments and documents, including those specifically identified herein, provide such additional financial or technical information, attend such public hearings or meetings relating to the Project, and take such additional actions, as may reasonably be required from time to time in order to effectuate the incentives contemplated by this Agreement.

7. **DEFAULT AND REMEDIES.** In the event a party commits a material breach of this Agreement as determined in good faith by the party to whom the commitment was due (the "Breachee"), the Breachee shall notify in writing the party committing the breach (the "Breacher"). The Breacher shall have 45 days from receipt of such written notice to cure such breach or provide a plan for such cure to the reasonable satisfaction of the Breachee. In the event such cure or plan for cure is not provided within the 45-day cure period, then the portions of this Agreement pertaining to the Breachee's obligations may be terminated by the Breachee. No party shall be deemed to be in default for a delay or failure in performance under this Agreement, deemed resulting, directly or indirectly, from acts of God, civil or military authority, acts of public enemy or terrorism, war, accident, fires, explosions, earthquakes, floods, or catastrophic failure of transportation or strikes or any similar cause beyond the reasonable control of any party. In the event a party determines that it will not be able to fulfill its responsibilities in the manner described in this Agreement, the party shall use its best efforts to give notice to the other parties. Such notice shall detail the responsibilities which cannot be fulfilled, the reasons the responsibilities cannot be fulfilled, and the party's proposal to cure the problem. In no event shall either party be liable to

the other for special, indirect, consequential or punitive damages, even if the party has been advised that such damages are possible. No party shall be liable to the other for lost profits or lost revenues.

8. **OTHER INCENTIVES.** The specified listing of incentives herein is not intended to be and shall not be construed as a limitation upon Company's right to obtain any other rights, privileges, or benefits for which it might qualify under general law and, except as otherwise provided herein, all incentives and benefits, whether conveyed herein or by general law, are intended to be cumulative.

9. **LIMITATION ON ASSIGNMENT.** Except as set forth otherwise herein, neither this Agreement nor any rights hereunder may be assigned by either party without the prior written consent and approval of the other party, which shall not be unreasonably withheld. Notwithstanding the foregoing, no consent of the County shall be required for the Company to fully assign its interest in this Agreement to an entity owned in part or in whole by or controlled the Company. This Agreement shall be binding upon the parties, including their successors and assigns, when any assignment is consented to by the parties.

10. **OTHER.**

a. The representations, covenants and agreements of the parties are subject to and contingent upon the mutual performance by the parties hereunder.

b. No delay in any exercise or any omission to exercise any remedy or right shall impair any such remedy or right or be construed to be a waiver of any such remedy or right nor shall it affect any subsequent remedy or right of the same or a different nature. Every such remedy or right may be exercised concurrently or independently, and when and as often as may be deemed expedient by a party.

c. If any one or more of the covenants or agreements provided in this Agreement on the part of any party to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenants or agreements shall be null and void and shall be deemed separate from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

d. Company represents that it intends to comply with all federal, state and local laws, rules, regulations and ordinances governing the Project and the incentives described in this Agreement.

e. This Agreement and all transactions contemplated hereby shall be governed by and construed in accordance with and enforced under the laws of the state of Florida, notwithstanding its choice of law rules to the contrary or any other state's choice of law rules.

f. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument. Facsimile and .pdf scanned signatures are acceptable under this Agreement.

g. Except as otherwise provided herein, each of the parties shall pay all reasonable fees and expenses incurred by it in connection with the transactions contemplated by this Agreement.

h. This Agreement shall be binding upon, inure to the benefit of and be enforceable by the parties and their respective successor and permitted assigns. Notwithstanding the foregoing, it is the intent of the parties that tax rebates / refunds shall continue to be delivered to and inure to the benefit of and be enforceable by the Company after any permitted assignment by the Company unless otherwise agreed in writing.

i. Any covenant or agreement contained in this Agreement between any party and any other party contained in this Agreement may be amended only by a written instrument executed by the parties impacted. Any condition precedent to any party's obligations hereunder may be waived in writing by such party.

j. All exhibits attached hereto are incorporated herein by reference.

k. This Agreement and the exhibits hereto contain the entire understanding the parties and this Agreement supersedes all prior agreements and understandings, oral and written, with respect to this subject matter.

11. **LIMITATIONS ON LIABILITY.** Notwithstanding any other provision of this Agreement to the contrary, the County, as a political subdivision of the State of Florida, and the other parties are bound by and do not waive the provisions of Chapter 768.28, Florida Statutes, or any similar provision of state law limiting the County's liability. Neither party shall be liable to the other party for indirect, consequential, punitive or special damages.

12. **ATTORNEY FEES.** Each party shall pay its own attorney fees incurred in connection with drafting and consummating the transaction of this agreement. Should either party thereafter file suit to enforce any provisions of this Agreement, then the prevailing party in such litigation shall be entitled to collect from the other party its reasonable attorney's fees, including appellate fees and court costs.

13. **VENUE.** The sole venue for any legal action or proceedings arising from or as a result of this Agreement shall be Columbia County, Florida.

14. **EFFECTIVE DATE.** This Agreement shall only be binding and effective upon the parties once both parties have fully executed this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

Signed, sealed and delivered
in the presence of:

HUTTON GLEASON PLACE LC, LLC

[Signature]
Witness
Kevin E. Sennings
Print or Type Name

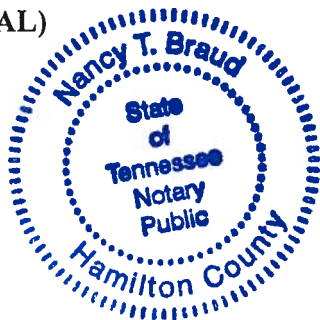
By: [Signature]
Print: Geoffrey W. Smith
Title: President

[Signature]
Witness
Amy Fischer
Print or Type Name

STATE OF Tennessee
COUNTY OF Hamilton

The foregoing instrument was acknowledged before me this 19th day of July, 2016, by Geoffrey W. Smith as President of HUTTON GLEASON PLACE LC, LLC on behalf of the corporation, who is personally known to me or who has produced a Florida driver's license as identification.

(NOTARIAL SEAL)



[Signature]
Notary Public, State of ~~Florida~~ Tennessee
My Commission Expires: March 7, 2018

Signed, sealed and delivered
in the presence of:

Penny C. Stanley
Witness
Penny C. Stanley
Print or Type Name

Carolyn N. Baker
Witness
CAROLYN N. BAKER
Print or Type Name

COLUMBIA COUNTY, FLORIDA

By: Scarlet P. Frisina
Scarlet P. Frisina, Vice Chair

ATTEST: P. DeWitt Cason
P. DeWitt Cason
Clerk of Court

(SEAL)

**STATE OF FLORIDA
COUNTY OF COLUMBIA**

The foregoing instrument was acknowledged before me this 7th day of July, 2016, by **SCARLET P. FRISINA**, as **Vice Chair**, of the **BOARD OF COUNTY COMMISSIONERS, COLUMBIA COUNTY, FLORIDA**, on behalf of the Board, who is personally known to me.

(NOTARIAL SEAL)

Penny C. Stanley
Notary Public, State of Florida
My Commission Expires: 7-15-20

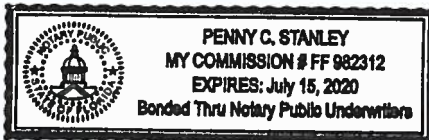


EXHIBIT "A" – SITE

