

**INTERLOCAL AGREEMENT BETWEEN CLAY COUNTY AND THE HOUSING
FINANCE AUTHORITY OF CLAY COUNTY
[KELLI GROVE]**

THIS INTERLOCAL AGREEMENT (“Agreement”) is entered into this ____ day of July, 2025 by and between Clay County, a political subdivision of the State of Florida (the “County”), and the Housing Finance Authority of Clay County, Florida, a public body corporate and politic (“HFA”).

RECITALS

WHEREAS, Chapter 163, Florida Statutes, permits local governmental units to make the most efficient use of their powers, resources, and capabilities by enabling them to cooperate with other localities on a basis of mutual advantage; and

WHEREAS, Kelli Grove, Ltd. (“Developer”) is a limited partnership organized and existing under the laws of the State of Florida; and

WHEREAS, the Developer wishes to construct a low-income senior housing (income/rent restricted) apartment community consisting of approximately 90 units with a mixture of studios, 1-bedroom, and 2-bedroom units that will be located on Sandridge Road, north of the intersection of Sandridge Road and Lago Vista Drive, in Clay County, Florida, to be known as Kelli Grove (the “Project”); and

WHEREAS, the Project is located within the Lake Asbury Master Plan and zoned Lake Asbury Village Center, which permits residential uses in the form of apartments; and

WHEREAS, in connection with the Project, the Developer intends to apply to the Florida Housing Finance Corporation (“FHFC”) as part of FHFC RFA 2025-201, Housing Credit Financing for Affordable Housing Developments Located in Small And Medium Counties (“Financing”); and

WHEREAS, in order to qualify for the Local Government Area of Opportunity Funding Designation in connection with the Financing, the Developer is required to submit, as part of its application to FHFC, evidence of local government financial support, including a form executed by the local government verifying its financial commitment; and

WHEREAS, the Developer has requested that the County make a certain contribution to the cost of the Project as the local government contribution for purposes of the Developer’s application for the Financing (the “County’s Contribution”); and

WHEREAS, if FHFC awards the Financing to the Developer for the Project, then at the closing of the Developer’s loan for the principal financing of the Project (the “Closing”), the

County is willing to provide the County's Contribution by making a loan to the Developer in the amount of \$340,000.00 (the "County's Loan"); and

WHEREAS, in exchange for the County's Loan, the Developer will give to the County a note at the Closing payable to the County in the amount of \$340,000.00 (the "Note"); and

WHEREAS, the loan will be a non-amortizing loan, with interest at the rate of 5% per annum on the outstanding amount. Interest-only payments will be paid semi-annually. The Note shall mature 18 years from Closing at which time any outstanding interest and principal will be due and payable; and

WHEREAS, Part IV of Chapter 159, Florida Statutes, authorizes county governments to create housing finance authorities within the State for the purpose of issuing revenue bonds and refunding bonds to assist in relieving the shortage of housing available at prices or rentals which are affordable to many persons and families; and

WHEREAS, HFA is a public body corporate and politic created under the authority of Section 159.604, Florida Statutes; and

WHEREAS, by the adoption of Ordinance No. 80-19, the County's Board of County Commissioners created the HFA pursuant to Section 159.604, Florida Statutes; and

WHEREAS, HFA has agreed to provide to the County the full amount of the funds necessary for the County to provide the County's Contribution; and

WHEREAS, the County and the HFA desire to enter into this Agreement to address the terms and conditions under which the HFA shall provide to the County the County's Contribution for the Project as set forth herein.

NOW THEREFORE, for and in consideration of the foregoing recitals and the mutual covenants set forth herein, and for other good and valuable consideration, the receipt of which is hereby acknowledged and objections to the sufficiency and adequacy of which are hereby waived, the County and the HFA (the "Parties") do hereby agree as follows:

1. The above recitals are an integral part of this Agreement and are incorporated herein by reference.

2. This Agreement is entered into pursuant to the provisions of Section 163.01, Florida Statutes, commonly known as the "Florida Interlocal Cooperation Act of 1969", and all applicable portions of the Act are made a part hereof and incorporated herein as if set forth in full, including, but not limited to the following specific provisions:

- a. All of the privileges and immunities and limitations from liability, exemptions from laws, ordinances and rules, and all pensions and relief, disability, workers' compensation and other benefits which apply to the activity of officers, agents, or employees of the Parties hereto when performing their respective functions within

their respective territorial limits for their respective agencies, shall apply to the same degree and extent to the performance of such functions and duties of such officers, agents or employees extra-territorially under the provisions of this Agreement.

- b. This Agreement does not and shall not be deemed to relieve any of the Parties hereto of any of their respective obligations or responsibilities imposed upon them by law except to the extent of the actual and timely performance of those obligations or responsibilities by one or more of the Parties to this Agreement, in which case performance provided hereunder may be offered in satisfaction of the obligation or responsibility.
- c. As a condition precedent to its effectiveness, and pursuant to Section 163.01(11), Florida Statutes, this Agreement and any subsequent amendments hereto shall be filed with the Clerk of the Circuit Court of Clay County.

3. The HFA will deliver the sum of \$340,000.00 to the County for the purpose of providing the County's Contribution for the Project (the "Commitment Sum") on or before the 30th day prior to the Closing.

4. Provided that the County first receives the full amount of the Commitment Sum from the HFA as provided in paragraph 3, the County will provide the County's Contribution to the Developer in exchange for the Note at the Closing so long as the Closing occurs on or before December 15, 2026 ("Initial Closing Deadline"), or at a later date if a written request by the Developer to extend the Closing date beyond the Initial Closing Deadline is approved by the County Manager, but in no event can the Closing date be extended beyond February 15, 2028 ("Final Closing Deadline").

5. In order to provide evidence to FHFC of the County's obligation to provide the County's Contribution under this Agreement, the County shall cause to be executed and delivered to the Developer certification of the County's Contribution in connection with the Project on the form designated by FHFC.

6. The terms of the Note will be as reflected in the above recitals, and will be secured by a mortgage on the Project given by the Developer to the County (the "Mortgage") that will be subordinate only to the mortgage securing the Developer's loan for the principal financing of the Project.

7. After the Closing has successfully occurred, the County will immediately assign the Note and the Mortgage to the HFA. Upon such assignment, the HFA shall have no recourse against the County, its principals, officers, employees and agents, for nonpayment, nonperformance or other default under the terms of the Note, the Mortgage or both. In the event the Closing does not occur on or before the Initial or Final Closing Deadlines, or in the event the Developer's application for the Financing is denied by the FHFC, then the County shall promptly return the Commitment Sum to the HFA if the HFA has already delivered such Commitment Sum to the County.

8. As a condition precedent to the County's obligation to provide the County's Contribution at the Closing, the County must have a minimum of 30 days prior notice of the date of the Closing, to be provided by either the HFA or the Developer to the County.

9. All notices given under this Agreement shall be in writing and shall be deemed to have been duly given (a) when delivered by hand, (b) two days after having been delivered to Federal Express, UPS, Airborne or another recognized overnight courier or delivery service, or (c) five days after having been deposited into the United States mail, by registered or certified mail, return receipt requested, postage prepaid, to the respective Parties at their respective addresses set forth below:

County:

County Manager
P.O. Box 1366 (mail)
477 Houston Street, 4th Floor (delivery)
Green Cove Springs, FL 32043

HFA:

Executive Director
P.O. Box 1620 (mail)
1279 Kingsley Avenue, Suite 118 (delivery)
Orange Park, FL 32067-1620

In the event that different addresses or representatives are designated by either Party after execution of this Agreement, notice of the name, title, and address of the respective Party will be provided to the other Party.

10. Subject to and within the limitations set forth in Section 768.28, Florida Statutes, and to any other limitations, restrictions and prohibitions that may be provided by law, and without being deemed to operate as a waiver of the HFA's sovereign immunity, the HFA shall fully and completely indemnify, protect, defend and hold harmless the County and its respective officers, employees and agents from and against any and all losses, penalties, damages, settlements, costs, charges, professional fees or other expenses or liabilities of every kind and character arising out of or directly or indirectly relating to any and all claims, liens, demands, obligations, or actions, proceedings or causes of action of every kind and character in connection with or arising directly or indirectly out of this Agreement. Without limiting the generality of the foregoing, any and all such claims including, but not limited to, those for personal injury, death, damage to or destruction of property, defects in materials or workmanship, or any actual or alleged violation of any applicable statute, ordinance, administrative order, rule or regulation or decree of any court, shall be included in the indemnity hereunder.

11. The HFA acknowledges that in the budget for each fiscal year of the County during which the term of this Agreement is in effect a limited amount of funds are appropriated which are available to make payments arising under this Agreement. Any other provisions of the Agreement to the contrary notwithstanding, and pursuant to the provisions of Section 129.07, Florida Statutes, the maximum payment that the County is obligated to make under this Agreement from the budget of any fiscal year shall not exceed the appropriation for said fiscal year.

12. The access to, disclosure, non-disclosure, or exemption of records, data, documents, and/or materials, associated with this Agreement shall be subject to the applicable

provisions of the Florida Public Records Law (Chapter 119, Florida Statutes), and other applicable State or Federal law. The Parties shall comply with all requirements of Chapter 119, Florida Statutes, to the extent applicable to the records and documents associated with this Agreement that are in its possession or under its control. A request to inspect or copy public records relating to the Agreement must be made directly to the County. All records in connection with this Agreement must be retained for a period of at least five (5) years after the Closing has occurred or this Agreement ends, whichever occurs first. All records shall be kept in such a way as will permit their inspection pursuant to Chapter 119, Florida Statutes. Each Party to this Agreement, upon written reasonable notice, shall have the right to audit and inspect any records of the other Party relating to this Agreement to ensure compliance with the terms of this Agreement.

IF HFA HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO ITS DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THE AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (904) 529-3604, EWest@Greencovesprings.com, 321 WALNUT STREET, GREEN COVE SPRINGS, FLORIDA 32043.

13. In the performance of its covenants and obligations under this Agreement, HFA will be acting in the capacity of an independent contractor and not as an agent, employee, partner, joint venture or associate of the County. HFA shall be solely responsible for the means, methods, techniques, sequences and procedures utilized by HFA in the full performance of and to comply with the terms of this Agreement. Neither HFA nor any of its employees, officers, agents or other individual directed to act on behalf of HFA for any act related to this Agreement shall represent, act as, purport to act as, or be deemed to be the agent, representative, employee or servant of the County.

14. HFA shall not assign or otherwise transfer, in whole or in part, any of its rights, duties, or obligations under this Agreement to any other Party without the prior written consent of the County, which consent may be withheld by the County for any or no reason. Any such assignment attempted by HFA without such prior written consent shall be null and void. If HFA attempts to assign any such rights or duties without securing such prior written consent, this Agreement may be declared in default and immediately terminated by the County.

15. Any other provisions of this Agreement to the contrary notwithstanding, no third-party beneficiaries are intended or contemplated under this Agreement, and no third-party shall be deemed to have rights or remedies arising under this Agreement or such documents against either Party to this Agreement.

16. The Agreement may only be modified or amended upon mutual written agreement of the County and HFA. No oral agreements or representation shall be valid or binding upon either Party.

17. The Parties first attempt to settle any dispute arising from this Agreement through

negotiation and a spirit of mutual cooperation. The Parties will use reasonable efforts to arrange meetings as needed, at mutually convenient times and places, to address and work toward resolution of issues that arise in the performance of this Agreement. The dispute will be escalated to appropriate higher-level managers of the Parties, if necessary. Each Party shall have the right to seek the judicial enforcement and interpretation of this Agreement.

18. Each of the Parties shall cooperate with one another, shall do and perform such actions and things, and shall execute and deliver such agreements, documents and instruments, as may be reasonable and necessary to effectuate the purposes and intents of this Agreement.

19. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida. Venue for any litigation, mediation, or other action proceeding between the Parties arising out of this Agreement shall lie in Clay County, Florida.

20. In the event either Party shall retain an attorney to litigate on its behalf against the other Party regarding the enforcement or interpretation of this Agreement or regarding the rights, remedies, or obligations of the Parties arising under this Agreement, the Party prevailing on the majority of its claims, or which successfully defends against a majority of the other Party's claims, shall be entitled to an award of reasonable attorney's fees, costs, and expenses against the other Party, including fees, costs, and expenses incurred from the date of referral of the dispute to the prevailing Party's attorney through the conclusion of litigation, or incurred in bankruptcy or on appeal. Nothing contained herein is intended to serve as a waiver of sovereign immunity and extend the County's liability beyond the limits established in Section 768.28, Florida Statutes.

21. If any provision of this Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Agreement, and this Agreement shall be enforced as if such invalid and unenforceable provision had not been contained herein.

22. No waiver by either Party of any term or condition of this Agreement will be deemed or construed as a waiver of any other term or condition, nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different section, subsection, paragraph, subparagraph, clause, phrase, or other provision of this Agreement.

23. The Agreement may be executed in one or more counterparts and by the separate Parties in separate counterparts, each of which shall be deemed to constitute an original and all of which shall be deemed to constitute the one and the same agreement.

24. It is mutually acknowledged and agreed by the Parties that this Agreement contains the entire agreement between the County and the HFA with respect to the subject matter of this Agreement. No understanding, statement, representation, writing, agreement, course of conduct or course of action by the Parties or the authorized representatives of the Parties, which is not expressed in this Agreement shall be valid.

25. The Parties to this Agreement agree to utilize electronic signatures and that the digital signatures of the Parties set forth below are intended to authenticate this Agreement and have the same force and effect as manual written signatures. Each person signing on behalf of the Parties to the Agreement represents and warrants that he/she has full authority to execute this Agreement on behalf of such Party and that the Agreement will constitute a legal and binding obligation of such Party.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date and year first written above.

**HOUSING FINANCE AUTHORITY OF CLAY
COUNTY, a public body corporate and politic**

By: _____
James Ryan
Its Chairman

Attest for the HFA:

Theresa Sumner
Its Executive Director

**CLAY COUNTY, a political subdivision of the
State of Florida**

By: _____
Betsy Condon
Its Chairman

ATTEST:

Tara S. Green
Clay County Clerk of Court and Comptroller
Ex Officio Clerk to the Board

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