

Community Benefits Agreement Requirement

(to be added to Section 5)

As a condition of eligibility for any tax abatement granted pursuant to this Policy, the Applicant may be required, as determined by the governing body, to enter into a Community Benefits Agreement (“CBA”) designed to ensure that the proposed project provides measurable and direct benefits to the local community.

(a) Form of Agreement

The CBA may be structured in any of the following forms, as mutually agreed upon by the parties:

- (1) As a provision incorporated within the Tax Abatement Agreement;
- (2) As a provision incorporated within a Development Agreement; or
- (3) As a separate standalone agreement executed contemporaneously with the Tax Abatement Agreement.

Obligations created by the CBA shall be deemed material and enforceable provisions of the Tax Abatement Agreement, Development Agreement, or standalone agreement, as the case may be.

(b) Minimum Community Investment Requirement

The CBA shall require the Applicant to make a minimum investment in community benefits (“Community Investment”), which may include, but is not limited to workforce development, infrastructure improvements, educational partnerships, public facility enhancements, environmental mitigation, or other approved investments.

(c) Timing of Obligations

The obligation to fund or deliver the required Community Investment shall not commence until the date on which physical construction of the project has commenced, unless earlier agreed to by the parties.

(d) Verification of Construction Commencement

Construction shall be deemed to have commenced upon issuance of required permits and initiation of on-site construction activities.

(e) Compliance and Reporting

The Applicant shall provide periodic reports demonstrating compliance.

(f) Remedies for Non-Compliance

Failure to comply shall constitute a default and may result in recapture or termination of the Tax Abatement Agreement.

(g) Discretion of Governing Body

The governing body retains sole discretion regarding requirements and approvals.

Exclusion of Certain Taxing Entities

(to be added to Section 2)

Notwithstanding any provision of the Tax Abatement Guidelines and Criteria, or any Tax Abatement Agreement, the tax abatement negotiated with the County of Duval shall apply only to taxes levied by the granting governing body.

(a) A tax abatement agreement negotiated with Duval County does *not* include any agreement to abate a tax levied by:

- (1) Groundwater Conservation District;
- (2) Emergency Services Districts;
- (3) School Districts;
- (4) Vocational School District; or the
- (5) Farm-to-Market Road District.

(b) No Impairment

Nothing herein limits the authority of other taxing entities to enter into another abatement agreement with Applicant.

(c) No Representation Clause

No representation is made regarding participation of other entities.

Road Use Agreement

(to be added to Section 5)

Any proposed Tax Abatement Agreement where the Applicant, its agents or assigns, will utilize a vehicle carrying loads greater than 26,000 pounds (“Heavy Loads”) shall be required to execute concurrently with the Tax Abatement Agreement a Road Use Agreement. The Road Use Agreement shall (1) designate and restrict the County roads (“Designated Roads”) to be utilized for Applicant’s transportation of Heavy Loads, (2) require a pre-use inspection, period inspections (per agreed upon schedule), and post-use inspection of Designated Roads to document modernization and/or construction of improvements to the Designated Roads, (3) require the Applicant to fully compensate the

County for said inspections, and surveys if appropriate, of the Designated Roads utilized by Applicant, and (4) require the Applicant to establish a Road Use Contingency Fund to be placed in escrow with the Duval County Treasurer at the time of execution of the Tax Abatement Agreement to be utilized by the County for the repair of roads, bridges, culverts, and/or other road infrastructure caused by the activities of Applicants, its agents and assigns, as determined by the aforementioned inspections and/or survey.

Development Agreement Requiring Applicant's Reimbursement of County Costs (to be added to Section 7)

As a condition precedent to Duval County's engagement in good faith negotiations for the approval of a tax abatement agreement, Duval County requires that the Developer enter into a Development Agreement to allow for Applicant's reimbursement of County for reasonable out-of-pocket costs and expenses incurred by County in connection with the negotiation, documentation, and realization of the tax abatement agreement. Such out-of-pocket costs and expenses will typically include (only to the extent appropriate), the following: postal service charges, long-distance charges, filing and recording fees, reasonable attorneys' fees and expenses billed by outside counsel retained by County, and other similar out-of-pocket expenses to County.

- (a) The Development Agreement shall provide Developer with language limiting Developer's obligation to only reasonable costs and expenses.
- (b) The Development Agreement shall include one or more provisions supporting Developer's right to request and receive documentation supporting the requested reimbursement.
- (c) The Developer Agreement shall include provisions defining terms of payment (e.g., the number of days within which Applicant must reimburse County), interest owed on any amounts not timely paid, and other provisions as may be agreed between County and Applicant.
- (d) The parties acknowledge that any Development Agreement may include provisions for: (i) the Developer's reasonable audit rights to verify each of the County's requests for reimbursement (e.g., invoices and other records, subject to assertion of any right of confidentiality and/or privilege); (ii) a monetary cap or caps on total reimbursable amounts or on particular categories of costs; and/or (iii) procedures for increasing the cap or caps.
- (e) Nothing in the Development Agreement shall be construed to obligate Applicant to reimburse County for any internal County personnel costs, unless otherwise and expressly agreed in writing by County and Applicant.

(f) The County may require that provisions for reimbursement of County shall survive the termination or expiration of the Development Agreement.

Separation of Applications

(to be added to Section 3)

Notwithstanding that a single development or project within a Reinvestment Zone may be the subject of multiple tax abatement agreements, the Applicant must file a separate application for each distinct tax abatement requested. Each application shall: (a) identify the parcel(s), improvements and/or project phase to which the requested abatement applies; (b) specify the proposed term, percentage and scope of the abatement; (c) include all required exhibits, supporting documentation and application fees; and (d) be submitted and processed independently of any other application filed for the same Reinvestment Zone.

(a) Coordination. To promote administrative efficiency, applicants are encouraged to coordinate submission schedules and to reference related application file numbers, but no separate application shall be deemed complete or approved by virtue of a different application filed for a related agreement. The County may require consolidation of processing or impose coordinated reporting conditions where multiple abatement applications arise from the same overall project.

(b) Exceptions and Amendments. The County Judge may waive the separate application requirement in writing for good cause shown (e.g., phased filings that cannot reasonably be separated), or may prescribe a combined application form for closely related abatement requests. Any amendment to an approved abatement that would materially expand the property, term, or benefit shall require a new, separate application.

(c) Effect. Approval of one application shall not bind or prejudice the County's consideration of any other separate application for abatement within the same Reinvestment Zone.

Development Agreements for Data Centers and Crypto-Mining Projects

(to be added to Section 5)

Data Centers and/or Crypto-Mining projects may collectively be referred to as a “Data Center” project. No tax abatement shall be approved for a Data Center unless the Applicant and the County enter into a written Development Agreement addressing the matters set forth below.

(a) Scope of Agreement. The Development Agreement shall, at a minimum, address:

- Environmental protections: required permits and compliance with federal, state, and local environmental laws;
- measures to prevent contamination of soil, groundwater, and surface water;
- management and disposal of hazardous materials and waste; stormwater control and spill response plans;
- Public health and safety: plans for chemical storage and handling, emergency response and evacuation procedures, coordination with local emergency services, and any public health monitoring required by the County;
- Noise and vibration: baseline noise studies, design and operational requirements to control noise and vibration, maximum permitted sound levels at property lines, and mitigation measures (e.g., equipment enclosures, setbacks, vibration isolation);
- Light and glare: exterior lighting plans that minimize off-site light trespass and glare (including shielded fixtures, cut-off angles, and timing controls);
- compliance with County dark-sky or lighting ordinances where applicable;
- Nuisance prevention: protocols to prevent odor, dust, electromagnetic interference, traffic impacts, and other deleterious effects on neighboring properties;
- hours of operation, access controls, and landscaping/screening requirements;
- Air emissions and thermal impacts: evaluation and mitigation of emissions and heat discharge (including HVAC and exhaust systems), and compliance with applicable air quality permits and standards;
- Waste heat/use optimization: where feasible, consideration of beneficial reuse of waste heat (e.g., district heating or industrial reuse) and reporting on efforts to implement such measures;
- Utilities and infrastructure impacts: assessment and mitigation of impacts on electric, water, wastewater, and telecommunications infrastructure; requirement for coordination with utility providers and for obtaining necessary capacity assurances;
- Monitoring, reporting and audits: baseline studies, periodic monitoring, public reporting requirements, and County audit or inspection rights to verify compliance (subject to confidentiality protections for proprietary information);
- Remedial action and corrective measures: standards and timelines for addressing violations, including required remediation, suspension or modification of operations, and financial assurance or performance security where warranted;

- Remedies and enforcement: civil penalties, suspension or revocation of abatement benefits, indemnification obligations, and other remedies available to the County for material noncompliance; and
- Term, transfer and assignment: provisions governing the duration of obligations, treatment of assignments or transfers of project ownership, and obligations that survive sale or termination.

(b) Standards and Flexibility. The Development Agreement shall require compliance with objective standards (e.g., numeric noise limits, permit conditions), but may allow reasonable operational flexibility where consistent with protecting public health, safety, and the environment. The County may adopt technical standards or model provisions by reference.

(c) Public Input. The County shall provide for public notice and a reasonable opportunity for comment on each proposed Development Agreement for each Data Center project. The County may require public hearings prior to approval.

(d) Financial Assurance. For Data Center projects presenting significant environmental, infrastructure, and/or public-safety risk, the County may require financial assurance (e.g., letters of credit, performance bonds, escrows) to secure remediation, monitoring, or other obligations.

(e) Coordination with State/Federal Authorities. The Development Agreement shall require the Applicant to obtain and maintain all required federal and state permits and to comply with those permit conditions. County enforcement does not substitute for state or federal enforcement.

(f) Documentation. The Applicant shall submit, with any abatement application for a Data Center project, technical studies and documentation (environmental assessments, noise and lighting studies, traffic analyses, utility impact studies, emergency response plans) sufficient for the County to evaluate risks and negotiate appropriate Tax Abatement Agreement terms.

(g) Non-Waiver. Approval of tax abatement under a Development Agreement shall not limit the County's authority to enforce public health, safety, environmental, land use, or nuisance laws and regulations.

(h) Recordkeeping and Public Availability. Except for those documents and data properly withheld for reasons of confidentiality, proprietary, or reasons of privilege, the Development Agreement, monitoring reports, compliance documentation, and other such items of public interest shall be public records in accordance with state and federal laws.

(i) Review and Update. The County may periodically review and update these requirements to reflect technological change, regulatory developments, or lessons learned from implemented projects.

(j) Supremacy and Compliance with Law. Notwithstanding any provision of these guidelines and criterion, or of any Development Agreement entered into pursuant hereto, no agreement as between County and Applicant/Developer shall authorize the violation of any applicable federal, state, or local law, ordinance, rule or regulation. In the event of any conflict between a Development Agreement and/or Tax Abatement Agreement, on the one hand, and any applicable law or ordinance, on the other hand, the controlling legal requirement shall prevail, and the Development Agreement and/or Tax Abatement Agreement shall be deemed modified to the minimum extent necessary to achieve consistency with such law.

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