

Agenda Item #: 3D1

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY

Meeting Date: May 20, 2008

Consent       Regular  
 Public Hearing

Department

Submitted By: COUNTY ATTORNEY

Submitted For:

I. EXECUTIVE BRIEF

**Motion and Title:** Staff recommends motion to receive and file: the four Interlocal Agreements with the City of Tallahassee, the City of Jacksonville, Indian River County and Collier County Industrial Development Authority as they relate to the \$16,680,000 Palm Beach County, Florida Variable Rate Demand Revenue Bonds (The Children's Home Society of Florida Project), Series 2008, authorized by Resolution R-2008-0463 on March 11, 2008.

**Summary:** The Children's Home Society of Florida bond issue required the execution of four Interlocal Agreements with several governmental entities within the State of Florida in connection with the issuance of those bonds. These four Interlocal Agreements should now be received and filed in the Minutes Department. Countywide (PFK)

**Background and Justification:** The Minutes Department has requested that the Interlocal Agreements be presented as "receive and file" for acceptance into the official records of the Board of County Commissioners of Palm Beach County.

**Attachment:**

1. Interlocal Agreements with the City of Tallahassee, the City of Jacksonville, Indian River County and Collier County Industrial Development Authority.

Recommended by:       5/6/08  
Department Director      Date

Approved by: N/A

**II. FISCAL IMPACT ANALYSIS**

**A. Five Year Summary of Fiscal Impact:**

Fiscal Years	2008	2009	2010	2011	2012
Capital Expenditures	<u>0</u>	—	—	—	—
Operating Costs	<u>0</u>	—	—	—	—
External Revenues	<u>0</u>	—	—	—	—
Program Income (County)	<u>0</u>	—	—	—	—
In-Kind Match (County)	<u>0</u>	—	—	—	—
<b>NET FISCAL IMPACT</b>	<u>0</u> (see OFMB note below)	—	—	—	—
<b># ADDITIONAL FTE POSITIONS (Cumulative)</b>	<u>0</u>	—	—	—	—

Is Item Included in Current Budget? Yes \_\_\_ No \_\_\_

Budget Account No.: Fund \_\_\_ Department \_\_\_ Unit \_\_\_ Object \_\_\_  
Reporting Category \_\_\_

**B. Recommended Sources of Funds/Summary of Fiscal Impact:**

**C. Departmental Fiscal Review:** No fiscal impact.

**III. REVIEW COMMENTS**

**A. OFMB Fiscal and/or Contract Dev. and Control Comments:**

THIS WAS RECOGNIZED ON AGENDA ITEM DATED 3-11-08. PALM BEACH COUNTY WILL RECEIVE \$10,000. FOR DEVELOPMENT FEE. THERE IS NO ADDITIONAL FISCAL FEE IMPACT.

Atwillwhite 5-9-08  
OFMB CN 5/8/08

Jim J. [Signature] 5/12/08  
Contract Dev. and Control

5/12/08

**B. Legal Sufficiency:**

Paul F. [Signature] 4/30/08  
Assistant County Attorney

**C. Other Department Review:**

\_\_\_\_\_  
Department Director

**THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT.**

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**INTERLOCAL AGREEMENT**

**Dated as of March 1, 2008**

**Between**

**PALM BEACH COUNTY, FLORIDA**

**and**

**INDIAN RIVER COUNTY, FLORIDA**

**THERE ARE NO DOCUMENTARY STAMPS DUE ON THE VARIABLE RATE  
DEMAND REVENUE BONDS DESCRIBED HEREIN, PURSUANT TO CHAPTER 159,  
PART II, FLORIDA STATUTES**

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**This Interlocal Agreement was prepared by:**

**Emily F. Diaz, Attorney at Law  
Foley & Lardner LLP  
One Independent Drive, Suite 1300  
Jacksonville, Florida 32202-5017**

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## INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT (the "Agreement") is dated as of March 1, 2008, and is entered into between PALM BEACH COUNTY, FLORIDA ("Palm Beach County"), a political subdivision of the State of Florida, and INDIAN RIVER COUNTY, FLORIDA ("Indian River County"), a political subdivision of the State of Florida;

### WITNESSETH:

WHEREAS, pursuant to Chapter 125 and Chapter 159, Part II, Florida Statutes, Palm Beach County and Indian River County are authorized to issue bonds to finance or refinance the acquisition, construction and equipping of "projects," as defined in Part II of Chapter 159, Florida Statutes, including, without limitation, social service center facilities; and

WHEREAS, Palm Beach County and Indian River County each constitutes a "public agency" within the meaning of Section 163.01, Florida Statutes, as amended (the "Interlocal Act"), and are each authorized under the Interlocal Act to enter into interlocal agreements providing for them to jointly exercise any power, privilege or authority which each of them could exercise separately; and

WHEREAS, the Borrower has requested that Palm Beach County and Indian River County enter into this Agreement to authorize Palm Beach County to issue not exceeding \$17,000,000 in aggregate principal amount of its Variable Rate Demand Revenue Bonds (The Children's Home Society of Florida Project), Series 2008 (the "Series 2008 Bonds") to finance social service center facilities to be owned and operated by The Children's Home Society of Florida, a Florida not for profit corporation (the "Borrower"), in Palm Beach County, Indian River County, Collier County, Jacksonville and Tallahassee (collectively, the "2008 Projects"), with the proceeds of approximately \$4,300,000 in principal amount of said Series 2008 Bonds to be applied to finance the portion of the 2008 Projects located in Indian River County, such financing to result in significant cost savings to the Borrower over the issuance and sale of separate bonds by Palm Beach County and Indian River County in order to finance the 2008 Projects; and

WHEREAS, Palm Beach County and Indian River County have agreed to enter into this Agreement for the purposes stated above; and

WHEREAS, on March 11, 2008, the Board of County Commissioners of Palm Beach County approved the issuance of the Series 2008 Bonds, the application of the proceeds thereof and the execution and delivery of this Agreement, and following a duly noticed public hearing held on February 5, 2008, for the purpose of giving all interested persons an opportunity to express their views, either orally or in writing, on the proposed issuance of the Series 2008 Bonds, the Board of County Commissioners of Palm Beach County, Florida, which has jurisdiction for purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended, over the area in which those portions of the 2008 Projects to be financed or refinanced in Palm Beach County, Florida will be located, approved the issuance of the Series 2008 Bonds and the application of the proceeds thereof; and

WHEREAS, on March 18, 2008, following a duly noticed public hearing held by the Indian River County Board of County Commissioners for the purpose of giving all interested persons an opportunity to express their views, either orally or in writing, on the proposed issuance of the Bonds, the Indian River Board of County Commissioners, which has jurisdiction for purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended, over the area in which the portion of the 2008 Projects to be financed or refinanced in Indian River County, Florida, will be located, approved the execution and delivery of this Agreement, the issuance of the Series 2008 Bonds by Palm Beach County and the application of the proceeds thereof; and

WHEREAS, the Interlocal Act authorizes Palm Beach County and Indian River County to enter into this Agreement and confers upon Palm Beach County authorization to issue the Series 2008 Bonds and to apply the proceeds thereof to the financing of the 2008 Projects through a loan of such proceeds to the Borrower; and

WHEREAS, the parties hereto desire to agree to the issuance of the Series 2008 Bonds by Palm Beach County for such purposes and such agreement by such parties is in the public interest; and

WHEREAS, the Borrower has agreed to indemnify Palm Beach County and Indian River County in connection with their execution of this Agreement;

NOW, THEREFORE, for and in consideration of the premises hereinafter contained, and intending to be legally bound hereby, the parties hereto agree as follows:

SECTION 1. Authorization to Issue the Series 2008 Bonds. Palm Beach County and Indian River County do hereby agree that Palm Beach County is hereby authorized to issue the Series 2008 Bonds in an aggregate principal amount not exceeding \$17,000,000 and to loan the proceeds thereof to the Borrower to finance the 2008 Projects, with approximately \$4,300,000 of such proceeds to be applied to finance or refinance the 2008 Projects in Indian River County, Florida. Palm Beach County is hereby authorized to exercise all powers relating to the issuance of the Series 2008 Bonds vested in Indian River County pursuant to the Constitution and the laws of the State of Florida and to do all things within the jurisdiction of Indian River County which are necessary or convenient for the issuance of the Series 2008 Bonds and the financing or refinancing of the 2008 Projects to the same extent as if Indian River County were issuing its own obligations for such purposes without any further authorization from Indian River County to exercise such powers or to take such actions. It is the intent of this Agreement and the parties hereto that Palm Beach County be vested, to the maximum extent permitted by law, with all powers which Indian River County might exercise with respect to the issuance of the Series 2008 Bonds and the lending of the proceeds thereof to the Borrower to finance or refinance the 2008 Projects in Indian River County as though Indian River County were issuing such Series 2008 Bonds as its own special limited obligations.

SECTION 2. Qualifying project.

A. Each of the parties hereto represents that each of the 2008 Projects within its jurisdiction constitutes a "project" as such term is used in Part II, Chapter 159, Florida Statutes.

B. Palm Beach County hereby represents, determines and agrees as follows:

1. The 2008 Projects located within Palm Beach County are appropriate to the needs and circumstances of, and shall make a significant contribution to the economic growth of Palm Beach County; shall provide or preserve gainful employment; and shall serve a public purpose by advancing the economic prosperity, the public health, or the general welfare of the State of Florida and its people.

2. The Borrower is financially responsible and fully capable and willing to fulfill its obligations under the financing agreement, including the obligations to make payments in the amounts and at the times required, to operate, repair, and maintain at its own expense the 2008 Projects, and to serve the purposes of Part II, Chapter 159, Florida Statutes and such other responsibilities as may be imposed under the financing agreement.

3. Palm Beach County will be able to cope satisfactorily with the impact of the 2008 Projects located in Palm Beach County and will be able to provide, or cause to be provided when needed, the public facilities, including utilities and public services, that will be necessary for the construction, operation, repair, and maintenance of the 2008 Projects and on account of any increases in population or other circumstances resulting therefrom.

4. Adequate provision will be made in the financing agreements for the operation, repair, and maintenance of the 2008 Projects at the expense of the Borrower and for the payment of principal of and interest on the Bonds.

C. Indian River County hereby represents, determines and agrees as follows:

1. The 2008 Projects located within Indian River County are appropriate to the needs and circumstances of, and shall make a significant contribution to the economic growth of Indian River County; shall provide or preserve gainful employment; and shall serve a public purpose by advancing the economic prosperity, the public health, or the general welfare of the State of Florida and its people,

2. Indian River County will be able to cope satisfactorily with the impact of the 2008 Projects located in Indian River County and will be able to provide, or cause to be provided when needed, the public facilities, including utilities and public services, that will be necessary for the construction, operation, repair, and maintenance of such 2008 Projects and on account of any increases in population or other circumstances resulting therefrom.

The foregoing findings do not represent an agreement by Indian River County with respect to any zoning or land use requirements, including compliance with the Comprehensive Plan, but are made in accordance with the requirements of Chapter 159, Florida Statutes.

SECTION 3. No Pecuniary Liability of Indian River County: Limited Obligation of Palm Beach County. Neither the provisions, covenants or agreements contained in

this Agreement and any obligations imposed upon Indian River County hereunder, nor the Series 2008 Bonds issued pursuant to this Agreement, shall constitute an indebtedness or liability of Indian River County. The Bonds when issued, and the interest thereon, shall be limited and special obligations of Palm Beach County payable solely from certain revenues and other amounts pledged thereto by the terms thereof.

SECTION 4. No Personal Liability. No covenant or agreement contained in this Agreement shall be deemed to be a covenant or agreement of any member, officer, agent or employee of Indian River County or Palm Beach County in his or her individual capacity and no member, officer, agent or employee of Indian River County or Palm Beach County shall be liable personally on this Agreement or be subject to any personal liability or accountability by reason of the execution of this Agreement.

SECTION 5. Allocation of Responsibilities. Palm Beach County shall take all actions it deems necessary or appropriate in connection with the issuance of the Series 2008 Bonds, including, in its discretion, the preparation, review, execution and filing with government agencies of certificates, opinions, agreements and other documents to be delivered at the closing of the Series 2008 Bonds and the establishment of any funds and accounts pursuant to an indenture of trust related to the Series 2008 Bonds.

Neither Indian River County nor Palm Beach County shall be liable for the costs of issuing the Series 2008 Bonds or the costs incurred by either of them in connection with the preparation, review, execution or approval of this Interlocal Agreement or any documentation or opinions required to be delivered in connection therewith by Indian River County, Palm Beach County or counsel to either. All of such costs shall be paid from the proceeds of the Series 2008 Bonds or from other moneys of the Borrower.

SECTION 6. Indemnity. The Borrower, by its approval and acknowledgment at the end of this Agreement, agrees to indemnify and hold harmless Indian River County and Palm Beach County, and their respective officers, employees and agents, from and against any and all losses, claims, damages, liabilities or expenses, of every conceivable kind, character and nature whatsoever, including, but not limited to, losses, claims, damages, liabilities or expenses (including reasonable fees and expenses of attorneys, accountants, consultants and other experts), arising out of, resulting from, or in any way connected with this Agreement or the issuance of the Series 2008 Bonds, other than any such losses, damages, liabilities or expenses, in the case of Palm Beach County, arising from the willful misconduct of Palm Beach County, and, in the case of Indian River County, arising from the willful misconduct of Indian River County.

SECTION 7. Term. This Agreement will remain in full force and effect from the date of its execution, subject to the provisions of SECTION 8 hereof, until such time as it is terminated by any party hereto upon 10 days' advance written notice to the other party hereto. Notwithstanding the foregoing, it is agreed that this Agreement may not be terminated so long as any of the Series 2008 Bonds remain outstanding or unpaid. Nothing herein shall be deemed in any way to limit or restrict either party hereto from issuing its own obligations or entering into any other agreement for the financing or refinancing of any facility which either party hereto may choose to finance or refinance.

SECTION 8. Filing of Agreement. It is agreed that this Agreement shall be filed by the Borrower or its authorized agent or representative with the Clerk of the Circuit Court of Indian River County, Florida, and with the Clerk of the Circuit Court of Palm Beach County, Florida, all in accordance with the Interlocal Act, and that this Agreement shall not become effective until so filed.

SECTION 9. Severability of Invalid Provisions. If anyone or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof.

SECTION 10. WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO AND THE BORROWER HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES THE RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT AND ANY DOCUMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF EITHER PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR EACH OF THE PARTIES TO ENTER INTO THIS AGREEMENT.

SECTION 11. Litigation. In the event any legal proceedings are instituted between the parties hereto concerning this Agreement, the prevailing party in such proceedings shall be entitled to recover its costs of suit, including reasonable attorneys' fees, at both trial and appellate levels.

SECTION 12. Governing Law. This Agreement is being delivered and is intended to be performed in the State of Florida, and shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of such State.

SECTION 13. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 14. Limitation. In no event shall any Series 2008 Bonds be issued pursuant to this Agreement after December 31, 2008, without the prior written authorization of Indian River County.



IN WITNESS WHEREOF, the parties to this Agreement have caused this Agreement to be executed by the proper officers thereof and have caused their seals to be affixed hereto and attested by the proper officers thereof, all as of the date first above written.

PALM BEACH COUNTY, FLORIDA

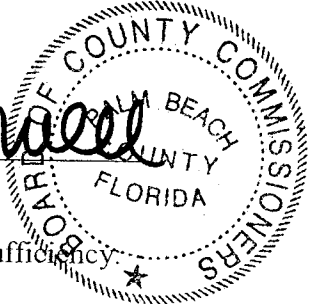
(SEAL)

By: Addie L. Greene  
Chairperson, Board of County  
Commissioners of Palm Beach County,  
Florida  
**Addie L. Greene, Chairperson**

ATTEST: Sharon Bock, Clerk

By: Phyllis House **Deputy Clerk**  
Clerk of the Circuit Court and  
Ex-officio Clerk of the Board of  
County Commissioners

By: Marcy Powell  
Deputy Clerk



Approved as to form and legal sufficiency:

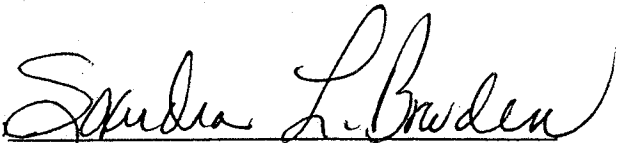
By: Paul F. King  
Paul King, Assistant County Attorney

[Signature Page to Interlocal Agreement with Indian River County.]

IN WITNESS WHEREOF, the parties to this Agreement have caused this Agreement to be executed by the proper officers thereof and have caused their seals to be affixed hereto and attested by the proper officers thereof, all as of the date first above written.


INDIAN RIVER COUNTY, FLORIDA

(SEAL)

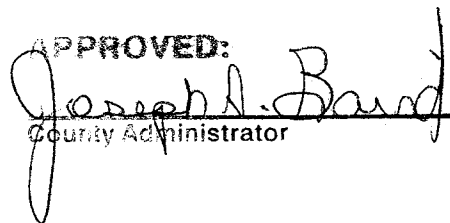
By:   
Chairman, Board of County Commissioners  
Sandra L. Bowden

ATTEST:

By: Attena Adams, D.C.  
Jeffrey K. Barton, Clerk of the Circuit  
Court by Deputy Clerk

APPROVED AS TO FORM  
AND LEGAL SUFFICIENCY  
BY   
MARIAN E. FELL  
ASSISTANT COUNTY ATTORNEY

[Signature Page to Interlocal Agreement with Indian River County.]

APPROVED:  
  
County Administrator

APPROVAL AND ACKNOWLEDGMENT OF THE BORROWER

The Children's Home Society of Florida, a Florida not for profit corporation, hereby approves this Interlocal Agreement and acknowledges acceptance of its obligations arising hereunder, including, without limitation, its obligations under SECTION 6 hereof, by causing this Approval and Acknowledgment to be executed by its proper officer as of the date of said Interlocal Agreement.

THE CHILDREN'S HOME SOCIETY OF  
FLORIDA

By: 

Robert F. Wydra, Jr., Chief Financial  
Officer

[Signature Page to Interlocal Agreement with Indian River County.]

STATE OF FLORIDA

COUNTY OF Palm Beach

The foregoing instrument was acknowledged before me this 20th day of March, 2008, by Addie L. Greene, Chairperson of the Board of County Commissioners of Palm Beach County, Florida, who is personally known to me.

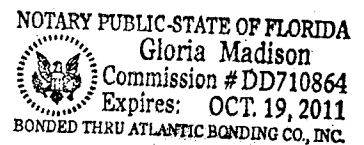
(SEAL)

Gloria Madison

Printed/Typed Name: \_\_\_\_\_

Notary Public-State of Florida

Commission Number:



STATE OF FLORIDA

COUNTY OF Palm Beach

The foregoing instrument was acknowledged before me this 20th day of March, 2008, by Tracey Powell, Deputy Clerk of the Circuit Court of Palm Beach County, Florida, who is personally known to me.

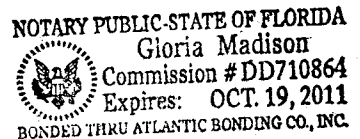
(SEAL)

Gloria Madison

Printed/Typed Name: \_\_\_\_\_

Notary Public-State of Florida

Commission Number:



[Notarial Page to Interlocal Agreement with Indian River County.]

STATE OF FLORIDA

COUNTY OF INDIAN RIVER

The foregoing instrument was acknowledged before me this 18 day of March, 2008, by Sandra L. Bowden, Chairman of the Board of County Commissioners of Indian River County, Florida, who is personally known to me.

(SEAL)



Lea R. Keller  
My Commission DD315391  
Expires May 15, 2008

*Lea R. Keller*

Printed/Typed Name: \_\_\_\_\_  
Notary Public-State of Florida  
Commission Number:

[Notarial Page to Interlocal Agreement with Indian River County.]

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**INTERLOCAL AGREEMENT**

**Dated as of March 1, 2008**

**Between**

**PALM BEACH COUNTY, FLORIDA**

**and**

**CITY OF JACKSONVILLE, FLORIDA**

**THERE ARE NO DOCUMENTARY STAMPS DUE ON THE VARIABLE RATE  
DEMAND REVENUE BONDS DESCRIBED HEREIN, PURSUANT TO CHAPTER 159,  
PART II, FLORIDA STATUTES**

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**This Interlocal Agreement was prepared by:  
Emily F. Diaz, Attorney at Law  
Foley & Lardner LLP  
One Independent Drive, Suite 1300  
Jacksonville, Florida 32202-5017**

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## INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT (the "Agreement") is dated as of March 1, 2008, and is entered into between PALM BEACH COUNTY, FLORIDA ("Palm Beach County"), a political subdivision of the State of Florida and the CITY OF JACKSONVILLE, FLORIDA ("Jacksonville"), an incorporated municipality of the State of Florida;

### WITNESSETH:

WHEREAS, pursuant to Chapter 125 and Chapter 159, Part II, Florida Statutes, Palm Beach County and Jacksonville are authorized to issue bonds to finance or refinance the acquisition, construction and equipping of "projects," as defined in Part II of Chapter 159, Florida Statutes, including, without limitation, social service center facilities; and

WHEREAS, Palm Beach County and Jacksonville each constitutes a "public agency" within the meaning of Section 163.01, Florida Statutes, as amended (the "Interlocal Act"), and are each authorized under the Interlocal Act to enter into interlocal agreements providing for them to jointly exercise any power, privilege or authority which each of them could exercise separately; and

WHEREAS, The Children's Home Society of Florida, a Florida not for profit corporation (the "Borrower"), has requested that Palm Beach County and Jacksonville enter into this Agreement to authorize Palm Beach County to issue not exceeding \$17,000,000 in aggregate principal amount of its Variable Rate Demand Revenue Bonds (The Children's Home Society of Florida Project), Series 2008 (the "Series 2008 Bonds") to finance social service center facilities to be owned and operated by the Borrower or affiliates of the Borrower in Palm Beach County, Indian River County, Collier County, Jacksonville and Tallahassee (collectively, the "2008 Projects"), with the proceeds of approximately \$900,000 in principal amount of said Series 2008 Bonds to be applied to finance the portion of the 2008 Projects located in Jacksonville, such financing to result in significant cost savings to the Borrower over the issuance and sale of separate bonds by Palm Beach County and Jacksonville in order to finance the 2008 Projects; and

WHEREAS, Palm Beach County and Jacksonville have agreed to enter into this Agreement for the purposes stated above; and

WHEREAS, on March 11, 2008, the Board of County Commissioners of Palm Beach County approved the issuance of the Series 2008 Bonds, the application of the proceeds thereof and the execution and delivery of this Agreement, and following a duly noticed public hearing held on February 5, 2008, for the purpose of giving all interested persons an opportunity to express their views, either orally or in writing, on the proposed issuance of the Series 2008 Bonds, the Board of County Commissioners of Palm Beach County, Florida, which has jurisdiction for purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended, over the area in which those portions of the 2008 Projects to be financed or refinanced in Palm Beach County, Florida will be located, approved the issuance of the Series 2008 Bonds and the application of the proceeds thereof; and

WHEREAS, on March 25, 2008, following a duly noticed public hearing held by the City Council of the City of Jacksonville, Florida on March 11, 2008, for the purpose of giving all interested persons an opportunity to express their views, either orally or in writing, on the proposed issuance of the Bonds, the City Council of the City of Jacksonville, Florida, which has jurisdiction for purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended, over the area in which the portion of the 2008 Projects to be financed or refinanced in Jacksonville, Florida, will be located, approved the execution and delivery of this Agreement, the issuance of the Series 2008 Bonds by Palm Beach County and the application of the proceeds thereof; and

WHEREAS, the Interlocal Act authorizes Palm Beach County and Jacksonville to enter into this Agreement and confers upon Palm Beach County authorization to issue the Series 2008 Bonds and to apply the proceeds thereof to the financing of the 2008 Projects through a loan of such proceeds to the Borrower; and

WHEREAS, the parties hereto desire to agree to the issuance of the Series 2008 Bonds by Palm Beach County for such purposes and such agreement by such parties is in the public interest; and

WHEREAS, the Borrower has agreed to indemnify Palm Beach County and Jacksonville in connection with their execution of this Agreement;

NOW, THEREFORE, for and in consideration of the premises hereinafter contained, and intending to be legally bound hereby, the parties hereto agree as follows:

SECTION 1. Authorization to Issue the Series 2008 Bonds. Palm Beach County and Jacksonville do hereby agree that Palm Beach County is hereby authorized to issue the Series 2008 Bonds in an aggregate principal amount not exceeding \$17,000,000 and to loan the proceeds thereof to the Borrower to finance the 2008 Projects, with approximately \$900,000 of such proceeds to be applied to finance or refinance the 2008 Projects in Jacksonville. Palm Beach County is hereby authorized to exercise all powers relating to the issuance of the Series 2008 Bonds vested in Jacksonville pursuant to the Constitution and the laws of the State of Florida and to do all things within the jurisdiction of Jacksonville which are necessary or convenient for the issuance of the Series 2008 Bonds and the financing or refinancing of the 2008 Projects to the same extent as if Jacksonville were issuing its own obligations for such purposes without any further authorization from Jacksonville to exercise such powers or to take such actions. It is the intent of this Agreement and the parties hereto that Palm Beach County be vested, to the maximum extent permitted by law, with all powers which Jacksonville might exercise with respect to the issuance of the Series 2008 Bonds and the lending of the proceeds thereof to the Borrower to finance or refinance the 2008 Projects in Jacksonville as though Jacksonville were issuing such Series 2008 Bonds as its own special limited obligations.

SECTION 2. Qualifying project.

A. Each of the parties hereto represents that each of the 2008 Projects within its jurisdiction constitutes a "project" as such term is used in Part II, Chapter 159, Florida Statutes.



B. Palm Beach County hereby represents, determines and agrees as follows:

1. The 2008 Projects located within Palm Beach County are appropriate to the needs and circumstances of, and shall make a significant contribution to the economic growth of Palm Beach County; shall provide or preserve gainful employment; and shall serve a public purpose by advancing the economic prosperity, the public health, or the general welfare of the State of Florida and its people.

2. The Borrower is financially responsible and fully capable and willing to fulfill its obligations under the financing agreement, including the obligations to make payments in the amounts and at the times required, to operate, repair, and maintain at its own expense the 2008 Projects, and to serve the purposes of Part II, Chapter 159, Florida Statutes and such other responsibilities as may be imposed under the financing agreement.

3. Palm Beach County will be able to cope satisfactorily with the impact of the 2008 Projects located in Palm Beach County and will be able to provide, or cause to be provided when needed, the public facilities, including utilities and public services, that will be necessary for the construction, operation, repair, and maintenance of the 2008 Projects and on account of any increases in population or other circumstances resulting therefrom.

4. Adequate provision will be made in the financing agreements for the operation, repair, and maintenance of the 2008 Projects at the expense of the Borrower and for the payment of principal of and interest on the Bonds.

C. Jacksonville hereby represents, determines and agrees as follows:

1. The 2008 Projects located within Jacksonville are appropriate to the needs and circumstances of, and shall make a significant contribution to the economic growth of Jacksonville; shall provide or preserve gainful employment; and shall serve a public purpose by advancing the economic prosperity, the public health, or the general welfare of the State of Florida and its people,

2. Jacksonville will be able to cope satisfactorily with the impact of the 2008 Projects located in Jacksonville and will be able to provide, or cause to be provided when needed, the public facilities, including utilities and public services, that will be necessary for the construction, operation, repair, and maintenance of such 2008 Projects and on account of any increases in population or other circumstances resulting therefrom.

The foregoing findings do not represent an agreement by the City of Jacksonville with respect to any zoning or land use requirements, including compliance with the Comprehensive Plan, but are made in accordance with the requirements of Chapter 159, Florida Statutes.

SECTION 3. No Pecuniary Liability of Jacksonville: Limited Obligation of Palm Beach County. Neither the provisions, covenants or agreements contained in this Agreement and any obligations imposed upon Jacksonville hereunder, nor the Series 2008 Bonds

issued pursuant to this Agreement, shall constitute an indebtedness or liability of Jacksonville. The Bonds when issued, and the interest thereon, shall be limited and special obligations of Palm Beach County payable solely from certain revenues and other amounts pledged thereto by the terms thereof.

SECTION 4. No Personal Liability. No covenant or agreement contained in this Agreement shall be deemed to be a covenant or agreement of any member, officer, agent or employee of Jacksonville or Palm Beach County in his or her individual capacity and no member, officer, agent or employee of Jacksonville or Palm Beach County shall be liable personally on this Agreement or be subject to any personal liability or accountability by reason of the execution of this Agreement.

SECTION 5. Allocation of Responsibilities. Palm Beach County shall take all actions it deems necessary or appropriate in connection with the issuance of the Series 2008 Bonds, including, in its discretion, the preparation, review, execution and filing with government agencies of certificates, opinions, agreements and other documents to be delivered at the closing of the Series 2008 Bonds and the establishment of any funds and accounts pursuant to an indenture of trust related to the Series 2008 Bonds.

Neither Jacksonville nor Palm Beach County shall be liable for the costs of issuing the Series 2008 Bonds or the costs incurred by either of them in connection with the preparation, review, execution or approval of this Interlocal Agreement or any documentation or opinions required to be delivered in connection therewith by Jacksonville, Palm Beach County or counsel to either. All of such costs shall be paid from the proceeds of the Series 2008 Bonds or from other moneys of the Borrower.

SECTION 6. Indemnity. The Borrower, by its approval and acknowledgment at the end of this Agreement, agrees to indemnify and hold harmless Jacksonville and Palm Beach County, and their respective officers, employees and agents, from and against any and all losses, claims, damages, liabilities or expenses, of every conceivable kind, character and nature whatsoever, including, but not limited to, losses, claims, damages, liabilities or expenses (including reasonable fees and expenses of attorneys, accountants, consultants and other experts), arising out of, resulting from, or in any way connected with this Agreement or the issuance of the Series 2008 Bonds, other than any such losses, damages, liabilities or expenses, in the case of Palm Beach County, arising from the willful misconduct of Palm Beach County, and, in the case of Jacksonville, arising from the willful misconduct of Jacksonville.

SECTION 7. Term. This Agreement will remain in full force and effect from the date of its execution, subject to the provisions of SECTION 8 hereof, until such time as it is terminated by any party hereto upon 10 days' advance written notice to the other party hereto. Notwithstanding the foregoing, it is agreed that this Agreement may not be terminated so long as any of the Series 2008 Bonds remain outstanding or unpaid. Nothing herein shall be deemed in any way to limit or restrict either party hereto from issuing its own obligations or entering into any other agreement for the financing or refinancing of any facility which either party hereto may choose to finance or refinance.

SECTION 8. Filing of Agreement. It is agreed that this Agreement shall be filed by the Borrower or its authorized agent or representative with the Clerk of the Circuit Court of Duval County, Florida, and with the Clerk of the Circuit Court of Palm Beach County, Florida, all in accordance with the Interlocal Act, and that this Agreement shall not become effective until so filed.

SECTION 9. Severability of Invalid Provisions. If anyone or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof.

SECTION 10. WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO AND THE BORROWER HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES THE RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT AND ANY DOCUMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HERewith, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF EITHER PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR EACH OF THE PARTIES TO ENTER INTO THIS AGREEMENT.

SECTION 11. Litigation. In the event any legal proceedings are instituted between the parties hereto concerning this Agreement, the prevailing party in such proceedings shall be entitled to recover its costs of suit, including reasonable attorneys' fees, at both trial and appellate levels.

SECTION 12. Governing Law. This Agreement is being delivered and is intended to be performed in the State of Florida, and shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of such State.

SECTION 13. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 14. Limitation. In no event shall any Series 2008 Bonds be issued pursuant to this Agreement after December 31, 2008, without the prior written authorization of the City of Jacksonville.