

**Attached is Replacement for  
Agenda Item #10**

**Status Update on Tallahassee-Leon County Civic  
Center Authority and Consideration of Entering into  
Third Amendment to Agreement Between City of  
Tallahassee, Leon County, Tallahassee-Leon County  
Civic Center Authority, The Florida State University  
and the Florida Board of Governors**

**Meeting of Tuesday, May 22, 2012**

**This document distributed: May 21, 2012**

**Leon County  
Board of County Commissioners**

**Notes for Agenda Item #10**

# Leon County Board of County Commissioners

## Cover Sheet for Agenda #10

May 22, 2012

**To:** Honorable Chairman and Members of the Board

**From:** Vincent S. Long, County Administrator  
Herbert W. A. Thiele, County Attorney

**Title:** Status Update on Tallahassee-Leon County Civic Center Authority and Consideration of Entering into Third Amendment to Agreement Between City of Tallahassee, Leon County, Tallahassee-Leon County Civic Center Authority, The Florida State University and the Florida Board of Governors

<b>County Administrator Review and Approval:</b>	Vincent S. Long, County Administrator Herbert W. A. Thiele, County Attorney
<b>Department/ Division Review:</b>	N/A
<b>Lead Staff/ Project Team:</b>	Herbert W. A. Thiele, County Attorney Vincent S. Long, County Administrator

**Fiscal Impact:**

This item has a fiscal impact. Funds to reimburse the Tallahassee-Leon County Civic Center Authority for operating deficits for FY2010 in the amount of \$41,936 have been waived. However, funds to contribute to the settlement of that certain lawsuit styled *Tallahassee Hotel Associates, Ltd. v. Tallahassee-Leon County Civic Center Authority* in the amount of \$250,000, are still to be paid both by Leon County and the City of Tallahassee. Funds are available in the Risk Fund to support this payment of \$250,000.

**Staff Recommendation:**

Board direction.

## **Report and Discussion**

### **Background:**

The Tallahassee-Leon County Civic Center Authority currently owns and operates the Tallahassee-Leon County Civic Center. Leon County, the City of Tallahassee, The Florida State University, the Florida Board of Education and the Board of Regents for the State of Florida entered into a certain Agreement, dated March 9, 1976, relating to the construction, financing, operation, and use of the Civic Center, and subsequently entered into that certain Amendment and Affirmance of Agreement for Financing the construction of the Civic Center in 1982. The parties entered into the Second Amendment to Agreement on March 20, 2003 in order to clarify the agreement by the City and the County to pay the Authority certain expenses whenever the Authority ran an annual deficit.

At the Board of County Commissioners' meeting of November 8, 2011, this matter was brought before the Board by County Administration seeking direction on providing deficit funding to the Tallahassee-Leon County Civic Center Authority for the Fiscal Year 2010 and the possibility of paying annual operating deficits of up to \$125,000.00 for FY2011 through FY2021. After much discussion, the Board voted to continue to the item until the first meeting in December and authorized Commissioner Sauls to work with the County Administrator and the County Attorney to negotiate a final agreement with the Civic Center Authority and FSU and bring back a recommendation to the Board regarding same.

At the December 13, 2011 Board of County Commissioners' meeting, Commissioner Sauls gave a brief status update on the matter stating that County staff had met with John Carnaghi, Chair of Tallahassee-Leon County Civic Center Authority Finance & Operations Committee and Russ Morcum, Chairman of the Tallahassee-Leon County Civic Center Authority, and that another meeting had been scheduled in the near future.

Since the December 2011 update by Commissioner Sauls, County staff and the County Attorney's Office has had occasion to meet with the parties involved and, as a result of same, have drafted a Third Amendment to Agreement which modifies and terminates the current Agreements still in effect under certain stipulations as follows (Attachment #1).

### **Analysis:**

Presently, the Civic Center Agreement requires Leon County to pay 50% of the any annual operating deficit up to \$125,000.00 annually. It is the County Attorney's position that its obligation to fund the operating deficits should have ended when the Board agreed to support the 2004 reorganization in reliance upon FSU's representation that the Civic Center Agreement would be terminated. The parties have prepared a Third Amendment to Agreement which addresses the annual operating deficits and its duties in the future with regard to the Civic Center.

The FY2010 operating loss for the Authority was \$82,271.00 of which Leon County would have paid half, or \$41,936.00. The payment amount is based on the terms and conditions outlined in the 2003 amendment, which clarifies the manner in which the operating expenses, revenues and deficit would be determined and calculated. The Authority has waived payment of this amount upon approval of the proposed Agreement. Based on the 40-year agreement terminating in FY2021, the exposure for losses incurred from FY2011 through FY2021 at \$125,000.00 per year equals a potential liability of \$1.375 million. Under the proposed settlement agreement, the County and City of Tallahassee will release the Authority from any further requirements under the Agreements; and, will contribute \$250,000.00 toward the termination of the Agreements still in effect, which the Authority plans on using for the settlement of the *Tallahassee Hotel Associates* litigation pending in the Second Judicial Circuit for Leon County, Florida, upon the following conditions:

1. That all preceding Agreements entered into by and between the parties are rescinded to fully release the County and the City from any further responsibility or liability as set forth in said Agreements, including payment of any future annual operating deficits;
2. That FSU continue the operation of the Civic Center for the use and enjoyment of the Tallahassee and Leon County community at the same level of use as is currently enjoyed. Further, FSU agrees to the appointment of a Civic Center Advisory Board for the purpose of advising FSU with respect to the continued use and availability of the Civic Center to individuals and community groups outside of FSU. The Advisory Board shall meet at the call of the Chair, at least three times per year, and shall be made up of three members appointed by the City of Tallahassee, three members appointed by Leon County, one member appointed by FAMU, and eight members appointed by FSU and establish a "community board" consisting of citizens to provide input and recommendations on said use of the Civic Center;
3. That the Civic Center Authority and FSU will continue the current practice for priority use of the Civic Center by Leon County Schools for local high school graduation ceremonies; and,
4. That FSU enter into a Lease Agreement with the Civic Center Authority until such time a transfer of assets or sale of the Civic Center to FSU is approved by the Florida Legislature.

At the time of this revised agenda request, a revised Third Amendment to Agreement has been agreed to by the City of Tallahassee, Tallahassee-Leon County Civic Center Authority, and The Florida State University.

Title: Status Update on Tallahassee-Leon County Civic Center Authority and Consideration of Entering into Third Amendment to Agreement Between City of Tallahassee, Leon County, Tallahassee-Leon County Civic Center Authority, The Florida State University and the Florida Board of Governors

May 22, 2012

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Should the Board approve the Agreement, Attachment #2 contains a Resolution and budget amendment realizing \$250,000.00 from the Risk Fund.

**Options:**

1. Direct the County Administrator and the County Attorney's Office to finalize the draft Third Amendment to Agreement pursuant to its current terms and conditions and to authorize the Chairman to execute the Third Amendment to Agreement.
2. Approve the Resolution and budget amendment realizing \$250,000.00 from the Risk Fund.
3. Direct the County Administrator and the County Attorney's Office to renegotiate the draft Third Amendment to Agreement to include additional terms and conditions and to bring the matter to the Board for further consideration.
4. Board Direction.

**Recommendation:**

Board direction.

**Attachments:**

1. Third Amendment to Agreement.
2. Resolution with Budget Amendment.

HWAT:ea

**THIRD AMENDMENT TO AGREEMENT BETWEEN THE CITY OF TALLAHASSEE,  
LEON COUNTY, FLORIDA, TALLAHASSEE-LEON COUNTY CIVIC CENTER  
AUTHORITY, THE FLORIDA STATE UNIVERSITY AND  
FLORIDA BOARD OF EDUCATION**

**THIS THIRD AMENDMENT TO AGREEMENT** (“Agreement”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2012, by and among the CITY OF TALLAHASSEE, a Florida municipal corporation (the “City”); LEON COUNTY, FLORIDA, a charter county and political subdivision of the State of Florida (the “County”); TALLAHASSEE-LEON COUNTY CIVIC CENTER AUTHORITY (the “Authority”); the FLORIDA STATE UNIVERSITY (the “FSU”); and FLORIDA BOARD OF GOVERNORS (the “FBOG”) as the successor to the Florida Board of Regents.

**RECITALS**

WHEREAS, the Authority currently owns and operates the Tallahassee-Leon County Civic Center (the “Civic Center”); and,

WHEREAS, the Parties and the Board of Regents for the State of Florida entered into a certain Agreement dated March 9, 1976 relating to the construction, financing, operation, and use of the Civic Center, and subsequently entered into that certain Amendment and Affirmance of Agreement for Financing the construction of the Civic Center; and,

WHEREAS, the Parties entered into the Second Amendment to Agreement on March 20, 2003 in order to clarify the agreement by the City and the County to pay the Authority certain expenses whenever the Authority ran an annual deficit; and,

WHEREAS, the Parties now wish to conclude the Agreement and all preceding amendments thereto, and to help further resolve the matter of *Tallahassee Hotel Associates, Ltd. v. Tallahassee-Leon County Civic Center Authority*, Second Judicial Circuit for Leon County, Florida, Case No. 2010-CA-004369; and,

WHEREAS, the Parties desire to establish a means for the continued and viable operation of the Civic Center as a viable, long term community asset providing a comprehensive civic, governmental, educational, recreational, convention, and entertainment facility for the use and enjoyment of the Tallahassee and Leon County community at large, and for FSU; and,

WHEREAS, the Parties wish to enter into this Third Amendment to Agreement to set forth the terms and conditions under which the City and the County, and the FBOG, and FSU would agree to modify or terminate the Agreement, and amended by the First Amendment and the Second Amendment, respectively (collectively “Center Agreements”). (Exhibits A-C attached)

NOW, THEREFORE, in consideration of the following mutual promises, covenants and representations set forth herein, the sufficiency of which being acknowledged, the Parties do hereby agree as follows:

1. INTENT OF AGREEMENT

This Agreement constitutes a recitation of the more significant terms of agreement between the Parties in order to release the City and the County from any obligations under the Center Agreements.

2. CONDITIONS PRECEDENT

Except for paragraphs 3 B and D, 4 A and B, and 7, no provision of this Agreement shall be effective until after a transfer of the Civic Center to FSU from the Authority is finalized and closed (the "Transfer"), the closing of which shall be referred to as the "Transfer Date." Should the Transfer not occur, all provisions of this Agreement are null and void and the Center Agreements remain unchanged; any funds transferred to the Civic Center Authority under the provisions of paragraph 3 B and D of this agreement shall be returned within 15 days.

3. OBLIGATIONS OF THE CITY AND COUNTY

A. At FSU's option, the City will continue to provide \$60,000 annually toward the Center's utility costs.

B. The City agrees to pay to the Authority by June 30, 2012, \$60,000 owed toward the Center's 2011-2012 utilities.

C. The City and the County release the Authority from any further requirements under the Center Agreements;

D. While the City and the County assert that neither has any obligation or legal liability, as a public expenditure and in order to assure continued viability of the Civic Center, the City and the County further agree to each contribute \$250,000.00, on or before June 15, 2012, towards the termination of the Center Agreements and for the use by the Authority towards the settlement of the lawsuit entitled *Tallahassee Hotel Associates, Ltd. v. Tallahassee-Leon County Civic Center Authority*, Second Judicial Circuit for Leon County, Florida, Case No. 2010-CA-004369, on the express conditions:

- i. All preceding Center Agreements are rescinded or modified to fully release the City and County of any further responsibility or liability as defined in the Center Agreements, and to pay potential annual deficits of the Civic Center incurred after the date of this Third Amended Agreement.
- ii. The Agreement of FSU for the Civic Center's continued operation and maintenance as a comprehensive civic, governmental, educational,

recreational, convention, and entertainment facility at substantially the same level of use and enjoyment of the Tallahassee-Leon County community at large as is currently enjoyed as a community asset, as well as for the use by FSU.

- iii. FSU's agreement to simultaneously enter into a Lease Agreement with the Authority on the Transfer Date upon terms and conditions to be agreed upon by FSU and the Authority; and,
- iv. FSU's cooperation with the City, the County, and the Authority regarding any necessary agreements to release the City and the County from further liability arising from the annual deficit of the Civic Center pursuant to the preceding Center Agreements.

#### 4. OBLIGATIONS OF FSU

A. FSU agrees to obtain the approval of the Florida Legislature for the use of operating funds for the Civic Center pursuant to §1013.78(1), Florida Statutes, and an opinion from the FSU General Counsel indicating that an approval has been obtained.

B. An opinion from the FSU General Counsel indicating that FSU has obtained the authority from the Board of Governors to receive ownership of the Civic Center, including the assumption of the Civic Center's assets and liabilities.

C. FSU agrees to the appointment of a Civic Center Advisory Board for the purpose of advising FSU with respect to the continued use and availability of the Civic Center to individuals and community groups outside of FSU. The Advisory Board shall meet at the call of the Chair, at least three times per year, and shall be made up of three members appointed by the City of Tallahassee, three members appointed by Leon County, one member appointed by FAMU, and eight members appointed by FSU. All appointments shall be made within thirty (30) days of the effective date of legislation referenced in paragraph 6.

D. FSU and the Authority agree to continue the current practice for priority use of the Civic Center by Leon County Schools for local high school graduation ceremonies.

#### 5. TRANSFER OF TITLE

If the above conditions precedent have been satisfied, FSU will enter into an Agreement with the Authority for the Transfer of the Civic Center, including the assumption of the Civic Center's assets and liabilities, making the existing preceding Center Agreements null and void, and releasing the City and County from any further liabilities other than those stated herein.

6. MODIFICATION OF CHAPTER 2004-435, LAWS OF FLORIDA AND CREATION OF CITIZEN ADVISORY BOARD

The City, the County, the Authority and FSU agree to jointly support a local bill modifying Chapter 2004-435, Laws of Florida, during the 2013 legislative session. If a local bill is not passed during the 2013 legislative session, the Parties agree to jointly support passage in subsequent sessions.

7. RELEASE OF DEED RESTRICTIONS AND REVERTER CLAUSES

The City and the County agree to release any deed restrictions or reverter clauses running with the land contained in any deeds conveying the Civic Center to the Authority.

8. AMENDMENTS

The Parties hereby acknowledge that the terms hereof constitute the entire understanding and agreement of the Parties with respect to the subject matter hereof. No modification hereof shall be effective unless in writing, executed with the same formalities as this Agreement, in accordance with general law.

9. OBLIGATION TO CONFER

Prior to initiating proceedings alleging breach or seeking enforcement of any provision of this agreement, the Parties shall consult in an attempt to resolve any disputes that arise under this Agreement in good faith prior to initiating any formal proceedings seeking enforcement or alleging breach of the Center Agreements, including this Amendment.

10. SURVIVING PROVISIONS

The obligations of the City, County, the Authority and FSU under paragraphs 3, 4, 6, and 9 of this agreement shall survive the transfer of title to FSU.

11. RECORDATION

The County shall record this Agreement with the Leon County Clerk of the Court upon execution of the Parties and prior to the Commencement Date. Upon return of the recorded Agreement, the County shall deliver a recorded copy of this Agreement to all other Parties.

12. EFFECTIVE DATE

This Agreement shall be effective ("Effective Date") upon execution by all Parties.

IN WITNESS WHEREOF, the Parties cause this Agreement to be executed by their duly authorized representatives this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

ATTEST:

**CITY OF TALLAHASSEE, FLORIDA**

By: \_\_\_\_\_  
Gary Herndon, City Treasurer-Clerk

By: \_\_\_\_\_  
John R. Marks, III, Mayor

APPROVED AS TO FORM:

By: \_\_\_\_\_  
James R. English, City Attorney

ATTEST:

**LEON COUNTY, FLORIDA**

By: \_\_\_\_\_  
Bob Inzer, Clerk of the Court  
Leon County, Florida

By: \_\_\_\_\_  
Akin Akinyemi, Chairman  
Board of County Commissioners

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Herbert W. A. Thiele  
County Attorney

**TALLAHASSEE-LEON COUNTY  
CIVIC CENTER AUTHORITY**

\_\_\_\_\_  
Witness as to the Authority

By: \_\_\_\_\_  
Russ Morcom, Chair

\_\_\_\_\_  
Witness as to the Authority

APPROVED AS TO FORM:

By: \_\_\_\_\_  
General Counsel

**FLORIDA BOARD OF GOVERNORS**

\_\_\_\_\_  
Witness as to the FBOG

By: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Witness as to the FBOG

APPROVED AS TO FORM:

By: \_\_\_\_\_  
FBOG General Counsel

**FLORIDA STATE UNIVERSITY**

\_\_\_\_\_  
Witness as to the FSU

By: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Witness as to the FSU

APPROVED AS TO FORM:

By: \_\_\_\_\_  
FSU General Counsel



This Agreement between the Board of Regents of the State of Florida, the Tallahassee-Leon County Civic Center Authority (hereafter referred to as the Authority), the City of Tallahassee and the County of Leon, entered into this 9<sup>th</sup> day of March, 1976

WITNESSETH:

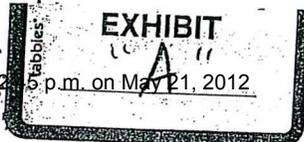
The subject of this agreement is the construction, financing, operation and use of a civic center in the City of Tallahassee to be known as the Tallahassee-Leon County Civic Center, hereafter referred to as the Civic Center.

The construction, operating and use of the Civic Center is authorized by Chapter 72-605, Laws of Florida, Acts of 1972, hereinafter referred to as the Act.

The Civic Center shall generally contain the facilities described in the Florida State University Building Program, Tallahassee-Leon County Civic Center study dated November 1975 and shall include but not necessarily be limited to the following:

An Arena seating 12,000 - 13,500; meeting and conference rooms for 1,000; an auditorium for 2,200; a main exhibition area; and a 1,000 space parking structure. These elements will be served by circulation/public areas, administrative offices, building services and various other ancillary spaces. There will also be two areas of undesignated space available for lease to appropriate parties. The total area of the enclosed facilities is 347,070 gross square feet plus the parking structure estimated at 350,000 gross square feet.

The City of Tallahassee, the Authority, Leon County and the Board of Regents shall cooperate as authorized by the Act in the financing of the Civic Center. Planning, development, construction, ownership and operation of the Civic Center is the responsibility and prerogative of the Civic Center Authority, in which the City, Leon County, the Board of Regents through Florida State University and Florida A&M University, and others participate and cooperate through their representatives. This agreement recognizes that the Department of General Services, State of Florida may be legally required to participate in construction supervision,



at the completion of which the Authority will assume full ownership and operational authority. If the Department of General Services is required by law to supervise construction, its fee shall not exceed one half of one percent of the original construction contract, plus or minus any change orders.

The total cost of the project shall not exceed \$24,076,500, estimated as follows:

Construction Estimate	\$16,740,450
Fees	1,217,630
Fixtures and Equipment	1,590,850
Contingency	1,042,570
Land Cost for Original Site Plus Contributed Land	1,595,000
Additional Land	600,000
Utility Relocation	<u>1,290,000</u>
Total	\$24,076,500

The cost of the Civic Center shall be generally financed as follows:

Cash to be furnished by the Board of Regents	\$12,176,500
Land and Improvements to be furnished by the City of Tallahassee	2,135,000
Proceeds from Leon County Bonds for construction	5,950,000
Cash available from General Revenue Bond Anticipation Notes from the City of Tallahassee	<u>3,815,000</u>
Total	\$24,076,500

It is contemplated that the construction costs other than cash furnished by the Board of Regents and other than the previous land and improvements from the City of Tallahassee will be financed by the proceeds in the amount of \$5,950,000 from a General Fund Pledge Bond Issue by Leon County and the provision of \$3,815,000 in cash by the City of Tallahassee.

It is contemplated that the debt service on the Leon County Bond Issue will be paid by Leon County from its general fund and that the City of Tallahassee will issue General Revenue Bond Anticipation Notes in the amount required.

The consideration for this agreement is the mutual covenants and promises of the parties and the benefits accruing to each of the parties and the Public.

The parties will take such other actions and proceedings and execute such other agreements as may be necessary to carry out this agreement.

The objective of the County is that its Bonds be sold and delivered not later than November, 1976 and the objective of the City is to make funds available not later than November, 1976 and the City and County will adopt such documents and take such other proceedings as necessary and use their best efforts to accomplish a November, 1976 or earlier availability of funds.

It is contemplated that substantial use of the Civic Center facilities will be made by the Florida State University and Florida Agricultural and Mechanical University. In order to secure the long term use of the facilities by the two universities, the use of the Civic Center will be made available to the universities for a specified number of days each year for a period of 40 years. The parties will subsequently agree on a fair and reasonable charge for the use of the facilities by the Florida State University and Florida Agricultural and Mechanical University through an agreement between the Board of Regents and the Authority. Provided, however, any sum of money agreed to be paid annually by the Board of Regents for use of the facilities will be entirely dependent and contingent upon the Legislature of Florida making such appropriations as are necessary for such payments and also upon condition that it is understood by all parties that the Legislature of Florida is under no obligation and cannot be compelled to make such annual appropriations.

All parties are expected to provide the construction funds referred to in this agreement to the Authority on or about November 1, 1976 and the City of Tallahassee is expected to provide the land on or about November 1, 1976 to the Authority. Funds from all parties shall be provided prior to the letting of the construction contract.

The obligation of the Board of Regents under this agreement is subject to and contingent on the availability of funds lawfully appropriated by the Legislature of the State of Florida for this purpose.

Signed, sealed and  
delivered in the presence of:

CITY OF TALLAHASSEE

*Crystal Strickland*  
*Constance J. Meaton*

By: *John R. Jones*  
Mayor  
Attest: *Hubert J. Stokell*  
Auditor-Clerk

APPROVED AS TO FORM AND LEGALITY

By: *[Signature]*  
City Attorney

Signed, sealed and  
delivered in the presence of:

LEON COUNTY

*James H. Shuler*  
*Fred H. Williams*

By: *Jack G. Waller*  
Chairman, Board of County  
Commissioners  
Attest: *Paul J. Knapp*  
Clerk, Circuit Court

Signed, sealed and  
delivered in the presence of:

TALLAHASSEE-LEON COUNTY  
CIVIC CENTER AUTHORITY

*Fris F. Watson*  
*Barbara J. Henning*

By: *Paul L. Bullock* (Corporate Seal)  
Attest: *Kevin Whigginton*  
Its Secretary

Signed, sealed and  
delivered in the presence of:

BOARD OF REGENTS,  
STATE UNIVERSITY SYSTEM

*[Signature]*  
*Fred H. Williams*

By: *E. J. York, Jr.*  
Chancellor

APPROVED AS TO FORM AND LEGALITY  
GENERAL COUNSEL  
BOARD OF REGENTS

APPROVED AS TO FORM, BUT LEGALITY  
SUBJECT TO EXECUTION BY ALL PARTIES  
CHARLES E. MINER, JR., General Counsel  
Florida Board of Education  
By: *[Signature]* 3-4-76

By: \_\_\_\_\_



AMENDMENT AND AFFIRMANCE OF AGREEMENT  
FOR FINANCING THE CONSTRUCTION OF THE  
TALLAHASSEE-LEON COUNTY CIVIC CENTER

19820111

THIS AMENDMENT AND AFFIRMANCE to the four-party Contract for the financing of the Tallahassee-Leon County Civic Center dated March 9, 1976, said Contract being by and between the Board of Regents of the State of Florida, the Tallahassee-Leon County Civic Center Authority, the City of Tallahassee, and the County of Leon.

WITNESSETH:

The parties hereto previously entered into a contract and agreement for financing the construction of the Civic Center in Tallahassee, Florida, bearing date of March 9, 1976, and of which this amendment shall become a part in order to update the program, contributions and costs of the project and for the affirmance of the other provisions contained in that agreement and to further carry out the change of circumstances and full intentions of the parties since executing that agreement.

Subsequent to the effective date of that agreement, and following the completion of the design development, it was determined by the Authority that the available dollars were insufficient to fund the proposed program as contemplated therein. In order to provide additional funding, the Authority applied for and attained grant funds from the Economic Development Administration of the United States Department of Commerce in the sum of \$3,190,840 to be applied toward the design and construction of the contemplated project. Further, following the receipt of bids at the first bid letting, it was determined by the Authority that the available dollars were insufficient to fund the entire program, which required revisions therein, including the elimination of the theater. To assist in carrying out the program that was contemplated, with the elimination

1.



of the theater but to provide a functional and aesthetically pleasing facility for the City of Tallahassee and County of Leon, the Florida Legislature budgeted from general revenue a grant to the project in the sum of six million dollars, which is non-interest bearing.

Following the revision of the plans for the Center which included the elimination of the theater and reduction in materials and design of 1.5 million dollars, the second bidding process was completed and a low bid received.

The parties hereto acknowledge that the redesigned program is at this time complete and meets the requirements of the parties, the project would be fully funded and construction for Phase III of the project should commence.

The total cost of the project shall be borne as follows:

Cash to be furnished by the Board of Regents -	\$12,176,500
Land, cash and in kind services to be furnished by the City of Tallahassee -	5,950,000
Cash from Leon County -	5,950,000
Economic Development Administration Grant -	3,190,840
Grant from the State of Florida	<u>6,000,000</u>
Total	\$33,267,340

The low bid for the arena, exhibit hall and convention facilities of the Allen M. Campbell Company of Tyler, Texas, totals \$20,300,000, which said bid is within the monies available in the project including a proper contingency fund provided within the budget.

Attached to this Amendment to the Contract is a budget reflecting the costs of the project and allowance for use of funds available.

By this Amendment, the City and County take this opportunity to carry out the provisions and intentions contemplated and provided for in the March 9, 1976 Agreement between these parties and for and in consideration of the Board of Regents having entered into the long term agreement with the Authority for the commitment of annual rentals for a period of forty (40) years and in order that there be assurance to the Authority that any operating deficit be funded, that <sup>the City and</sup> ~~they~~ <sub>County</sub> each agree to assume the payment of any annual operating expenses in excess of operating revenues up to the sum of \$125,000, which may include in kind contributions that may have been made by any governing body during the year.

Signed, sealed and delivered in the presence of:

CITY OF TALLAHASSEE

Judith A. Bellers  
Christessa Strickland

By: Walter G. Hugg  
 Mayor

Attest: Walter O. Seibel  
 Auditor-Clerk

APPROVED AS TO FORM AND LEGALITY

By: [Signature]  
 City Attorney

Signed, sealed and delivered in the presence of:

LEON COUNTY

Letitia Lutz Keith  
Rita D. Stallings

By: [Signature]  
 Chairman, Board of County Commissioners

Attest: Paul F. Hartsfield  
 Clerk, Circuit Court

By: Sam Hurst  
 Sam Hurst, Deputy Clerk

3.

Signed, sealed and delivered  
in the presence of:

TALLAHASSEE-LEON COUNTY  
CIVIC CENTER AUTHORITY

Sandra B. [Signature]

By: [Signature]

Sandra B. [Signature]

Attest: [Signature]  
Its Secretary

Cheryl Roberts

(Corporate Seal)

Signed, sealed and delivered  
in the presence of:

BOARD OF REGENTS  
STATE UNIVERSITY SYSTEM

\_\_\_\_\_

By: \_\_\_\_\_  
Chancellor

\_\_\_\_\_

APPROVED AS TO FORM AND LEGALITY  
GENERAL COUNSEL  
BOARD OF REGENTS

By: \_\_\_\_\_

\_\_\_\_\_

BUDGET

Tallahassee-Leon County Civic Center  
Arena, Convention Center and Kitchen Alternate

September 7, 1978

FUNDING

City	\$ 5,950,000
County	5,950,000
State	18,176,500
Federal Grant	<u>3,190,840</u>
Total Project Funding	\$33,267,340

BUDGET

Phase I Excavation (net)	817,858
Phase II Piling (Base bid + C.O. 1 & 2)	1,654,671
Phase III General Construction	
Base Bid A	20,300,000
	<u>20,300,000</u>
Phase IV Arena Seats + alt. A	669,405
Phase V Furniture & Equipment (est.)	500,000
Phase VI Parking Budget Item	<u>500,000</u>
Total Construction	24,441,934
Fees & Administration	2,498,213
Land (State share of 6 acres)	225,801
*Contingency	<u>2,760,591</u>
Total DGS Funds	\$29,926,539
Land (except State share of 6 acres)	1,820,801
Prior Contributions	230,000
In-kind Services	<u>1,290,000</u>
Total Project Funding	\$33,267,340

\*There is a disputed claim of \$1,400,872 filed by Raymond International, Inc. on the piling contract.

The above budget is prepared pursuant to the approval given by the Civic Center Authority on September 7, 1978. Provisions for parking and kitchen facilities will be determined by the Authority at a later date.



SECOND AMENDMENT TO AGREEMENT

THIS SECOND AMENDMENT TO AGREEMENT is entered into this 20<sup>th</sup> day of March, 2007<sup>5</sup> by and among the CITY OF TALLAHASSEE, a Florida municipal corporation ("City"); LEON COUNTY, a political subdivision of the State of Florida ("County"); the TALLAHASSEE - LEON COUNTY CIVIC CENTER AUTHORITY ("Authority"); and the FLORIDA BOARD OF EDUCATION ("FBOE").

WHEREAS, the Authority owns and operates the Tallahassee - Leon County Civic Center ("Civic Center"); and,

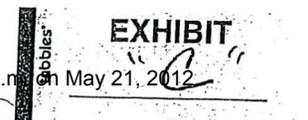
WHEREAS, the parties and the Board of Regents for the State of Florida ("BOR") entered into a certain Agreement, dated March 9, 1976, relating to the construction, financing, operation, and use of the Civic Center ("Agreement"), and subsequently entered into a certain Amendment and Affirmance of Agreement for Financing the Construction of the Tallahassee-Leon County Civic Center ("First Amendment"); and,

WHEREAS, the FBOE is the successor in interest to the BOR for purposes of the Agreement; and,

WHEREAS, the First Amendment provides that the City and the County agree to assume payment of any annual operating expenses in excess of operating revenues up to the sum of \$125,000 each; and the parties desire to amend the Agreement, and more specifically the First Amendment, with regard to such obligation and the manner in which such expenses and revenues are to be determined or calculated;

NOW THEREFORE, in consideration of the following mutual covenants and promises and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. The City and the County agree to pay to the Authority the amount by which annual expenses of the Authority exceed annual revenues ("Annual Deficit") up to the sum of \$125,000 each, which payment may include in kind contributions that may have been made by any governing body during the year.
2. The terms "annual revenues" and "annual expenses"; as used in Section 1 above, shall be defined to include all operating and non-operating revenues and expenses recognized for Business Type Activities -- Enterprise Funds under generally accepted accounting principles issued by the Governmental Accounting Standards Board. For purposes of calculating whether an Annual Deficit has occurred, and for purposes of submitting a billing to the City and County in regard to such Annual Deficit, such annual expenses shall not include any depreciation expense; however, the Authority may include in such expenses a charge for repair and replacement of plant and equipment in an amount equal to \$240,000 per year. Such amount may be changed by mutual agreement among the City, the County, and the Authority prior to the beginning of the fiscal year to which such change will apply.



3. In any year that an Annual Deficit occurs, the Authority shall provide to the City and County a billing and an "Over/Under Budget Report - Revenue/Expense" ("Budget Report") as of September 30 for the fiscal year then ended subject to the following:

a. If the Budget Report and billing are submitted prior to the time that the Authority's independent auditor has prepared a report on the annual financial statements, the Budget Report shall be accompanied by an Attestation Examination Report to which the auditor has expressed an opinion on the accuracy of the Budget Report and compliance by the Authority with the Agreement and the First Amendment as amended hereby.

In the event that the City or County pays the Authority for amounts billed and the subsequently performed annual financial audit shows the Budget Report did not take into consideration additional adjustments to revenues or expenses as a result of work by the Authority's independent auditor, the Authority shall bill or promptly refund to the City and County such amounts as are calculated and documented by the Authority.

b. If the Budget Report and billing are submitted at the time of, or subsequent to, issuance of a report by the Authority's independent auditor on the Authority's annual financial statements, the Authority shall submit a Budget Report as of September 30 for the fiscal year then ended for which the Authority has reconciled revenues and expenses shown in the Budget Report to the audited annual financial statements. In such event, the Authority agrees to provide such additional supporting information as the City or County may request and deem necessary to explain the reconciliation.

4. To provide for on-going receipt of information relating to Authority activities, the Authority agrees to provide to the City Manager and to the County Administrator a monthly Budget Report.

5. Each Budget Report shall show budgeted and actual revenues by major source and allowed expenses by major category to arrive at a calculated over or under budget amount for the period of the Budget Report. Additionally, the Budget Report shall distinguish normal Civic Center operations from any other significant financial agreement or arrangement between or among the Authority and any third party or parties existing at the time the particular Budget Report is submitted.

6. Except as specifically modified by this Amendment to Agreement, the terms and conditions of the Agreement shall continue in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Amendment to Agreement to be executed by their duly authorized representatives effective the date and year first written above.

CITY OF TALLAHASSEE

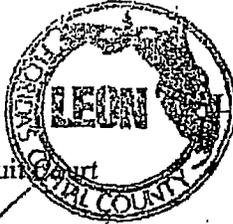
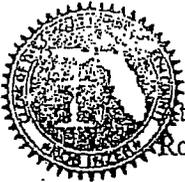
Attest:

Gary Mcendon  
Gary Mcendon, City Treasurer-Clerk

By: Anita Favors  
Anita Favors, City Manager

Approved as to form:

[Signature]  
City Attorney



LEON COUNTY, FLORIDA

Attest:

Robert B. Inzer, Clerk of Circuit Court

By: [Signature]  
Deputy Clerk

By: [Signature]  
Chairman  
Board of County Commissioners

APPROVED AS TO FORM:

[Signature]  
County Attorney

TALLAHASSEE - LEON COUNTY  
CIVIC CENTER AUTHORITY

[Signature]  
Witness as to Authority

By: [Signature]  
Don Mills  
(Type or print name and title of signatory)  
Don Mills, Its Chairman

[Signature]  
Witness as to Authority

FLORIDA BOARD OF EDUCATION

[Signature]  
Witness as to FBOE

By: [Signature]  
C. W. Blackwell  
(Type or print name and title of signatory)

[Signature]  
Witness as to FBOE

RESOLUTION NO.

WHEREAS, the Board of County Commissioners of Leon County, Florida, approved a budget for fiscal year 2011/2012; and,

WHEREAS, the Board of County Commissioners, pursuant to Chapter 129, Florida Statutes, desires to amend the budget.

NOW, THEREFORE, BE IT RESOLVED, that the Board of County Commissioners of Leon County, Florida, hereby amends the budget as reflected on the Departmental Budget Amendment Request Form attached hereto and incorporated herein by reference.

Adopted this 22<sup>nd</sup> day of May, 2012

LEON COUNTY, FLORIDA

BY: \_\_\_\_\_  
Akin S. Akinyemi, Chairman  
Board of County Commissioners

ATTEST:  
Bob Inzer, Clerk of the Court  
Leon County, Florida

BY: \_\_\_\_\_

Approved as to Form:  
Leon County Attorney's Office

BY: \_\_\_\_\_  
Herbert W. A. Thiele, Esq.  
County Attorney

**FISCAL YEAR 2011/2012  
BUDGET AMENDMENT REQUEST**

No: BAB12027  
Date: 4/26/2012

Agenda Item No: \_\_\_\_\_  
Agenda Item Date: 5/22/2012

County Administrator

Deputy County Administrator

\_\_\_\_\_  
Vincent S. Long

\_\_\_\_\_  
Alan Rosenzweig

**Request Detail:  
Revenues**

Account Information				Title	Current Budget	Change	Adjusted Budget
Fund	Org	Acct	Prog				
501	000	399990	000	Risk Management Reserves	539,391	250,000	789,391
					<b>Subtotal:</b>	250,000	

**Expenditures**

Account Information				Title	Current Budget	Change	Adjusted Budget
Fund	Org	Acct	Prog				
501	821	54514	596	Risk Claims	1,000,000	250,000	1,250,000
					<b>Subtotal:</b>	250,000	

**Purpose of Request:**

This budget amendment appropriates risk reserve funds to contribute to the settlement of that certain lawsuit styled Tallahassee Hotel Associates, Ltd. v. Tallahassee-Leon County Civic Center Authority in the amount of \$250,000 to be paid both by Leon County and the City of Tallahassee. Funds are available in the Risk Fund to support this total payment of \$250,000.

Group/Program Director

\_\_\_\_\_  
Senior Analyst

\_\_\_\_\_  
Scott Ross, Director, Office of Financial Stewardship

Approved By:                      Resolution                       Motion                       Administrator