

HERNANDO COUNTY INCENTIVES AGREEMENT

(Hernando County Jobs Creation Grant Award)

THIS AGREEMENT dated as of the 22nd day of April, 2025 (the "Agreement") by and between HERNANDO COUNTY, a political subdivision of the State of Florida, whose address is 15470 Flight Path Drive, Brooksville, FL 34604 (hereinafter referred to as the "County") and DELAMERE INDUSTRIES, INC., a Florida corporation, whose address is 19370 Oliver Street, Brooksville, FL 34601 (hereinafter referred to as the "Company"), and the County and the Company (hereinafter collectively, "the Parties") state:

RECITALS:

WHEREAS, Fla. Stat. § 125.045 allows counties to expend public funds for economic development activities; and,

WHEREAS, Hernando County Code Chapter 11.5, a copy of which is attached to this Agreement as Exhibit "A," governs business development programs within Hernando County; and,

WHEREAS, Hernando County Code Chapter 11.5 allows the expenditure of public funds to increase economic activity in Hernando County by attracting and retaining business activities conducive to economic promotion, preserving and expanding employment opportunities, and improving the welfare and competitive position of the citizens of Hernando County; and,

WHEREAS, the Company submitted an application for economic development incentives to the County's Director of Economic Development, who has determined that the Company qualifies for such incentives; and,

WHEREAS, a copy of the Company's application is attached hereto as Exhibit "B"; and,

WHEREAS, the Director of Economic Development's detailed analysis of the application and her finding of eligibility are hereby incorporated into this Agreement by this reference; and,

WHEREAS, the Director of Economic Development recommends, subject to the Company's strict compliance with this Agreement, that the Board of County Commissioners approve the incentives provided for herein, including but not limited to a Jobs Creation Grant.

NOW THEREFORE, the Company and the County hereby agree as follows:

SECTION 1 – RECITALS

1. The Recitals set forth above are true and correct and are incorporated herein by this reference.

SECTION 2 – DEFINITIONS

2. The terms used in this Agreement are defined and utilized in Chapter 11.5 of the Hernando County Code of Ordinances.

SECTION 3 – OMITTED

SECTION 4 – EFFECTIVE DATE AND DURATION / TERM

4.A. Effective Date. This Agreement shall become effective on the date the last party signed this Agreement.

4.B. Duration/Term. This Agreement shall end on December 31st four (4) years after the Effective Date, or upon the Company receiving its final incentive draw from the County, whichever occurs last, unless this Agreement is terminated earlier, for any reason, including any Event of Default as defined herein or by operation of law.

SECTION 5 – CAPITAL INVESTMENT / JOBS CREATION AND COMPLIANCE MONITORING

5.A. Capital Investment and Creation of New Jobs. As consideration for the Incentives offered by the County in accordance with this Agreement, the Company shall fully fund, construct, supply, staff and operate the facility described in **Exhibit 2** attached to this Agreement, said effort representing approximately \$5,850,000.00 in new capital investment in Hernando County. The Company shall further create, fund and fill a total of forty-five (45) new jobs within Hernando County, Florida, which jobs pay an average wage that is equal to or greater than 125% of Hernando County's Annual Average Wage, or at least \$55,308.00 per annum, for the duration of this Agreement in accordance with the Phases and time schedules set forth herein. The creation of these jobs shall make the Company eligible for the Incentives identified in this Agreement. The failure of Company to fully fund and fill the jobs identified herein in accordance with the terms of this Agreement, in any given year, for any reason or no reason whatsoever, shall constitute noncompliance hereunder and shall trigger the remedies pursuant to **Section 14** below.

5.B. Proofs of Compliance; Certifications; Audits.

5.B.1. No later than December 31st of each year under this Agreement, the Company shall provide the Office of Business Development with a true copy of its most recent Annual Unemployment Report as filed with the Florida Department of Labor.

5.B.2. No later than December 31st of each year under this Agreement, the Company shall provide the Office of Business Development a Certification Statement (on such form as provided by the County), signed by an authorized officer of Company certifying, under oath and under penalty of perjury:

a. the number of funded and filled positions within the Company during each quarter of said prior year that qualifies as an Annual Average Wage position and those, if any, that qualify as an Above Annual Average Wage position;

b. the total number of funded and filled positions within the Company during each quarter of said prior year that qualifies as an Annual Average Wage position and those that qualify, if any, as an Above Annual Average Wage position.*

Note: Verification of compliance with Jobs Creation Grant and other Incentives requires reports, usually filed in late December, demonstrating compliance with the requirements of this Agreement for the calendar year. Compliance with Incentives and associated draws or other payments, as applicable, are typically made shortly after verification – usually in January of the following year.

5.B.3. The County shall have the right, but not the obligation, to audit, or cause to be audited, the Company's books and records at any time, upon reasonable notice, for the purpose of verifying the information described in **Section 5.B.2** above.

[total number includes all qualifying Full-Time Jobs carried forward from the previous year plus all new qualifying Full-Time Jobs added during the subject year]*

SECTION 6 – OMITTED

SECTION 7 – OMITTED

SECTION 8 - OMITTED

SECTION 9 – OMITTED

SECTION 10 – OMITTED

SECTION 11 – JOBS CREATION GRANT INCENTIVE

11.A. Number of New Full-Time Jobs. The Company represents and promises that it will create a total of forty-five (45) new Full-Time Jobs within the County which pay equal to or greater than the Average Annual Wage and further the Company agrees to maintain said jobs for each and every year of this Agreement.

11.B. Timing. The new Full-Time Jobs referenced above shall be created in approximately three (3) years. All jobs created shall be maintained for a minimum of five (5) years. The Jobs Creation (and maintenance) Schedule shall be as set forth below:

JOBS CREATION SCHEDULE

Phase	Number of net new Full-Time Jobs created by Company in Hernando County	Dates jobs created/jobs maintained
I	15	December 31, 2025/December 31, 2030
II	15	December 31, 2026/December 31, 2031
III	15	December 31, 2027/December 31, 2032
Total	45	

11.C. Draw. Upon the Company demonstrating, to the satisfaction of the Office of Business Development, that it has satisfied all of the requirements in this Agreement for the Calendar Year, then the Company will be eligible to request the first installment draw of its Jobs Creation Grant (in the annual amount awarded in **Section 12.E** below) . The request for a draw shall be accompanied by the documentation described in **Section 12.F.** below.

SECTION 12 – JOBS CREATION GRANT CALCULATION AND DRAW CONDITIONS

12.A. Calculating Ceiling Amount of Jobs Creation Grant. The maximum grant award is calculated by multiplying the number of eligible new jobs created by the Company by the appropriate multiplier in Hernando County Code Sec. 11.5-30(d). In this case the appropriate multiplier based on the average pay of all new jobs created by Company as proposed in the application is set forth in Hernando County Code Sec. 11.5(d)(2)(c)(i):

Up to \$5,000.00 per eligible new job created by the Company that pays equal to or greater than 125% the Average Annual Wage for the County (*i.e.*, the average of the new jobs created pay at or above 125% of the Average Annual Wage for the county)

The calculation for the maximum grant award is as follows:

45 [# of eligible new jobs] x \$5,000.00 = \$225,000.00 (“Ceiling Amount”).

12.B. Attributable Tax Increment Amount. The Office of Business Development has determined based on its analysis set forth in the Staff Report that the Company’s Attributable Tax Increment to be equal to or greater than \$225,000.00 for purposes of this Agreement.

12.C. Recommendation of the Office of Business Development. The Office of Business Development, taking into account the factors listed in Code Sec. 11.5-30(a)(5), is recommending that the maximum Jobs Creation Grant that should be awarded to the Company should be \$225,000.00.

12.D. Total Jobs Creation Grant Amount to be Awarded to Company. This amount is \$225,000.00.

12.E. Annual Jobs Creation Grant Award to Company. The Jobs Creation Incentive amount is \$225,000.00 (**Section 12.D** above). Providing full compliance by the Company with the Hernando County Code of Ordinances and with all requirements, terms and conditions of this Agreement, this amount is what the County shall disburse to the Company in annual draws, covering three Phases (I, II, and III) as set forth in the Table below. The Table below reflects creation of jobs over three (3) years and payment of the Jobs Creation Grant incentive over the five (5) year job maintenance period. For example, for Phase I (15 jobs to be created by December 31, 2025) the \$75,000 Jobs Creation Grant incentive is to be paid in equal installments over five (5) years beginning in January 2026 and ending in January 2031.

Jobs Creation Grant Disbursement Table

Phase	# of New Jobs	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
I	15	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000		
II	15		\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	
III	15			\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Total	45	\$15,000	\$30,000	\$45,000	\$45,000	\$45,000	\$30,000	\$15,000

12.F. Draw Conditions. At the time the Company makes the initial draw request to the County, and in connection with each subsequent draw request thereafter (but in no event later than thirty (30) days after each anniversary hereunder), the Company shall provide the Office of Business Development with the information and certifications called for in **Section 5.B.** above. A draw will be permitted only if the Company demonstrates the following:

a. The Company has timely furnished the Office of Business Development all of the information required under **Section 5.B.** above; and,

b. The Company has timely responded with appropriate materials to the Office of Business Development to any request for additional information made pursuant to this Agreement or Hernando County Code Sec. 11.5-30; and,

c. The Company is able to demonstrate, upon request by the Office of Business Development, that it has fully satisfied all terms and conditions contained in this Agreement up through the subject funding (draw) period; and,

d. That the Company has not been, nor is, in breach or default of this Agreement or any other incentive agreement with the County pursuant to Chapter 11.5 of the Hernando County Code.

SECTION 13 – OMITTED

SECTION 14 – EVENTS OF DEFAULT AND REMEDIES

14. The occurrence of any one or more of the following events shall constitute a default on the part of the Company: (1) the Company breaches or fails to comply with any term, provision, covenant or condition of this Agreement and such breach or failure shall continue for a period of thirty (30) days or more after written notice thereof from the County; (2) the Company fails to pay any sum of money due the County by the Company under this Agreement within the time provided (e.g., repayment of deferred building permit fees, etc.), following thirty (30) days of written demand thereof; (3) the Company transfers, assigns, or sublets this Agreement, in whole or part, without the prior written consent of the County; (4) the Company abandons, deserts or vacates the Premises for a period of ninety (90) consecutive days or more; (5) the Company mortgages, pledges or encumbers the Premises, in whole or part, or this Agreement, without the prior written consent of the County; (6) the divestiture of the Company's estate herein by operation of law, by dissolution or by liquidation (not including a merger or sale of assets); (7) the Company loses its status as a Targeted Industry during the term of this Agreement; (8) a receiver, custodian or trustee is appointed to take possession of all or substantially all of the assets of the Company, or an assignment is made by the Company for the benefit of its creditors, or any action is taken or suffered by the Company under any insolvency, bankruptcy or reorganization act; (9) the Company fails to maintain financial security as required by this Agreement; (10) the Company closes its business or moves its business out of the County; or (11) the Company does not retain and maintain at least eighty percent (80%) of the total newly created Full-Time Jobs as calculated as of the Effective Date of this Agreement. Any or all of the foregoing shall hereinafter be referred to as "Events of Default". Upon any Event of Default, the County may, in addition to any other remedies provided in law or in equity or under this Agreement: (1) make demand for full or partial payment under such Letter of Credit, Performance Bond or Promissory Note held as security for the Company's monetary obligations (including but not limited to deferred building permit and impact fees, other charges and other secured performance-based obligations) as provided pursuant to this Agreement; and (2) make demand for full or partial refund of all incentive monies which have been unearned (or not maintained), paid by the County to the Company up through the Event of Default. An Event of Default shall further terminate any obligation of the County to excuse or forgive any deferred, suspended or secured monetary obligation and shall further terminate any obligation of the County to pay or fund any and all future draws or payments to the Company.

SECTION 15 - APPLICABLE LAW; VENUE; ATTORNEY'S FEES; JURY TRIAL WAIVER

15.A. This Agreement shall be governed by the laws of Florida and shall be deemed to have been prepared jointly by the Company and the County, and any uncertainty or ambiguity existing herein, if any, shall not be interpreted against either party, but shall be interpreted according to the application of the rules of interpretation for arm's-length agreements. Any dispute, claim or action arising out of or related to this Agreement shall be brought solely in civil court in Hernando County, Florida. Each party hereto shall bear their own attorneys' fees and costs in the event of any dispute, claim, action or appeal arising out of or related to this Agreement.

15.B. Each of the parties hereto hereby voluntarily and irrevocably waives trial by jury in any action or other proceeding brought in connection with this Agreement or any of the transactions contemplated hereby.

SECTION 16 - MISCELLANEOUS

16.A. All notices or communications whether to the County or to the Company will be considered valid upon receipt by the party as addressed pursuant to the caption on Page 1 hereof, or to such other address as either Party may designate in writing by notice to the other party in accordance with the provisions of this Article. If the Notice is sent through the U.S. Mail or private delivery company (e.g., FedEx, UPS), a verifiable tracking documentation such as certified receipt or overnight mail tracking receipt shall be used.

16.B. The Company will indemnify the County, including its agents, employees and officers, and save harmless the County from and against any and all claims, actions, damages, liability and expense occasioned wholly or in part by any act or omission of the Company, its agents, contractors, or subcontractors related to, arising from, or incidental to this Agreement. This clause shall survive the termination of this Agreement.

16.C. This Agreement represents the complete understanding between the Parties, and any prior agreements or representations, whether written or verbal, are hereby superseded in their entirety.

16.D. This Agreement may subsequently be amended only by written instrument duly signed by the Company and the County.

16.E. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be declared invalid or deemed unenforceable by a court of competent jurisdiction or superseding law, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by law, notwithstanding the invalidity of any other term or provision hereof.

16.F. This Agreement and the covenants and conditions contained herein shall be binding upon and inure to the benefit of the County and its successors and assigns, and shall be binding upon the Company and its successors and assigns.

16.G. Wherever used, the singular shall include the plural, the plural the singular, and the use of any gender shall include all genders.

16.H. 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.

16.I. The County may record this Agreement in the public records of Hernando County. The Company shall pay all recording costs.

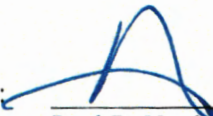
16.J. This Agreement requires approval by the Hernando County Board of County Commissioners, at a duly noticed public hearing, as a condition precedent to its execution by the County. At such meeting, the Board of County Commissioners reserves the right to approve, deny, or modify this Agreement, in whole or part, for any reason or no reason. Furthermore, the failure of the Board of County Commissioners to act upon, or to act favorably on, this Agreement shall not be actionable in any manner or grounds for any claim or dispute.

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Signatures

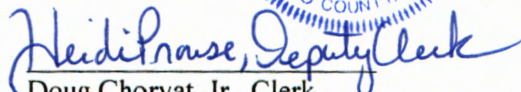
IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in their respective names and their respective seals to be hereunto affixed and attested by their duly authorized officers or representatives.

**DELAMERE INDUSTRIES, INC.
(COMPANY)**

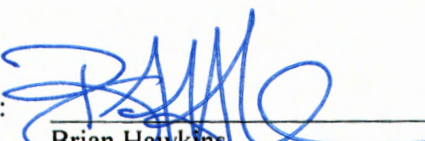
By:  _____ 3/27/2025
Paul B. Hughes Date
President



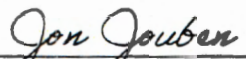
ATTEST:


Doug Chorvat, Jr., Clerk

**BOARD OF COUNTY COMMISSIONERS
HERNANDO COUNTY, FLORIDA (COUNTY)**

By:  _____ 4-22-2025
Brian Hawkins Date
Chairman

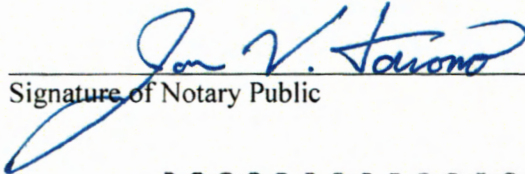
**APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:**


County Attorney

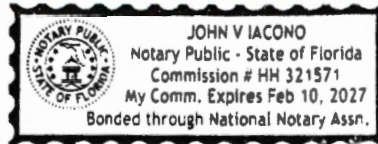
Verification

STATE OF Florida
COUNTY OF Hernando

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this 27 day of March, 2025 by Paul B. Hughes as President of Delamere Industries, Inc., who is personally known to me or who has produced _____ as identification.



Signature of Notary Public



STATE OF Florida
COUNTY OF Hernando

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this 22nd day of April, 2025 by Brian Hawkins as Chairman of the Hernando County Board of County Commissioners, who is personally known to me or who has produced _____ as identification.



Signature of Notary Public

