Legislative # 170805B

COMPENSATION AGREEMENT FOR USE OF COMMON ELEMENTS

THIS AGREEMENT (the "Agreement") is made by and between the City of Gainesville, a municipal corporation of the State of Florida (the "City"), and Cornerstone Condominium Association, Inc., a Florida corporation (the "Association"). The City and the Condominium are referred to herein as the "Parties".

RECITALS

WHEREAS, City acquired 13.6 acres of property ("Property") and constructed the Gainesville Technology Entrepreneurship Center ("GTEC") building on the property using two grants from the United States Economic Development Administration ("US EDA");

WHEREAS, City granted two mortgages to US EDA over the Property and subsequently obtained a partial release of mortgage from US EDA for all of the Property, except for the footprint of the GTEC building;

WHEREAS, the City developed a master plan for the Property to create a mixed-use development with up to ten commercial buildings to be known as the Cornerstone Project, and desired to place the Property into a land condominium form of ownership in order to create parcels of land that could be legally conveyed;

WHEREAS, US EDA, as mortgagee, would not consent to the inclusion of the GTEC building into the condominium form of ownership;

WHEREAS, in order to submit a portion of the Property to the condominium form of ownership, the City divided the Property (via a lot split) into two parcels - the GTEC building and surrounding land ("Parcel 1") and the remainder of the property ("Parcel 2");

WHEREAS, the City submitted Parcel 2 to the land condominium form of ownership by recording a Declaration of Condominium for Cornerstone, a Condominium, in the public records of Alachua County, Florida;

WHEREAS, Parcel 1 requires continued use of the Condominium common elements for ingress/egress, parking, drainage, utilities and stormwater management and therefore should pay its proportionate share of the common expenses for same;

WHEREAS, the Condominium requires use of a portion of Parcel 1 for stormwater management;

WHEREAS, the City recorded easements over both Parcel 1 and Parcel 2 (now the Condominium) for the benefit of itself and future owners; and

WHEREAS, the parties desire to set forth their respective obligations concerning maintenance of the easement on Parcel 1 and the use of the Condominium common elements.

NOW THEREFORE, based solely and expressly on the foregoing recitals, it is agreed by the Parties as follows:

1. <u>Recitals</u>. The recitals above are incorporated herein and made a part of this Agreement.

2. <u>**Obligations.**</u> Until such time as the City adds Parcel 1 as a Condominium Unit to Cornerstone, a Condominium:

(a) The Condominium Association shall maintain the easement area on Parcel 1 and will include the costs associated with the maintenance of the easement area on Parcel 1 as part of the Condominium Association's Annual Budget.

(c) In consideration for the maintenance of the easement area on Parcel 1 and the use of the Condominium common elements, the City shall pay 25.03% of the Condominium Association's Annual Budget. The Condominium Association will bill the City at the same time it bills Unit Owners for Condominium Assessments and the City will promptly pay same.

3. <u>Default: Notice</u> Failure to perform pursuant to this Agreement shall place the non-performing party in default. Upon written notice by the non-defaulting party, the party in default shall correct the default within the timeframe specified in the default notice. Any notice must be in writing and must be hand delivered or sent by certified mail to the following address of the party to whom the notice is to be given.

As to the City:

City of Gainesville Post Office Box 490, Station 6 Gainesville, FL 32627 Attention: Anthony Lyons, City Manager

As to the Condominium Association: Sarah Vidal-Finn, its President 802 NW 5th Avenue, Suite 200 Gainesville, FL 32601

4. <u>Beneficiaries.</u> This Agreement enures to the benefit of, and is enforceable by, the Unit Owners of the Association.

5. <u>Governing Law and Venue.</u> This Agreement shall be governed by and construed in accordance with the laws of the State of Florida. Any action, in equity or law, with respect to this Agreement must be brought and heard in Alachua County, Florida.

6. <u>Termination, Amendment or Assignment.</u> This Agreement shall terminate upon filing of an Amendment to the Declaration of Condominium for Cornerstone Condominium to include Parcel 1 as a Condominium Unit. This Agreement may not be amended or assigned, unless evidenced in a writing executed by both Parties.

7. <u>Disputes.</u> In connection with any legal proceedings to enforce the terms and conditions of this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party, all costs, expenses, and reasonable attorneys' fees incurred by said prevailing party in such proceedings.

IN WITNESS WHEREOF, the parties have executed this Agreement.

WITNESSES:

CITY OF GAINESVILLE, FLORIDA

Anthony Lyons, City Manager Date:

STATE OF	
COUNTY OF	-14.em

The foregoing instrument was acknowledged before me this _____ day of _____, 2018, by Anthony Lyons, the City Manager of the City of Gainesville, Florida. He/she who is personally known to me OR has produced ______ as identification.

(SEAL)

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

WITNESSES:

Cornerstone Condominium Association, Inc.

Sarah Vidal-Finn	
Title: President	
Date:	

STATE OF ______

The foregoing instrument was acknowledged before me this _____ day of _____, 2018, by Sarah Vidal-Finn, the President of the Cornerstone Condominium Association, Inc. He/she who is personally known to me OR has produced ______ as identification.

(SEAL)

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