

BUSINESS INCUBATOR PROGRAM

{Funding Agreement with the City of Eustis}

THIS IS AN INTERLOCAL AGREEMENT by and between Lake County, Florida, a political subdivision of the State of Florida, hereinafter referred to as “COUNTY”, and the City of Eustis, a municipal corporation organized under the laws of the State of Florida, hereinafter referred to as the CITY.

WITNESSETH:

WHEREAS, on August 23, 2022, the City Manager addressed the Board of County Commissioners seeking support for the creation of a business incubator in conjunction with the University of Central Florida (UCF) and the City Commission; and

WHEREAS, business incubators are an integral part of comprehensive economic development strategies that help to grow local economies; and

WHEREAS, UCF is nationally recognized for its business incubator platform and will provide staffing, expertise, guidance, services, and boot camps; and

WHEREAS, the CITY intends to execute an agreement for a three-year commitment of \$200,000.00 per year with UCF for the creation of a business incubator within the City Limits of Eustis;

WHEREAS, the COUNTY and the CITY desire to establish a business incubator within the municipal limits of the City of Eustis where local startup businesses can be supported by services that will nurture them, help them grow, and facilitate the opportunity to remain within the geographic boundaries of Lake County, Florida.

NOW THEREFORE, IT IS AGREED:

1. Recitals. The foregoing recitals are hereby adopted as legislative findings of the parties and are ratified and confirmed as being true and correct and are hereby made a specific part of this agreement upon adoption hereof.

2. Term of Agreement; Termination. The term of this Agreement shall begin on the date the last party hereto executed the document (Effective Date) and shall terminate either on September 30, 2026, or on the same day the Incubator Agreement terminates between the City of Eustis and the University of Central Florida, unless otherwise extended in writing by mutual Agreement of the parties. Either party may terminate this Agreement upon providing the non-terminating party sixty (60) days’ notice; provided, however, that if the CITY terminates this Agreement it shall refund to the COUNTY the pro-rated annual payment for the remainder of the fiscal year in which the Agreement was terminated. If the COUNTY terminates the Agreement, the effective date of the termination shall be the last day of the fiscal year in which the Agreement was terminated and the CITY shall continue to comply with all obligations hereunder, including submitting the appropriate reporting, until the date of termination.

3. Non-Exclusivity. The parties agree that neither shall terminate this Agreement unless one or both parties fail to meet the terms and conditions outlined herein. Nothing in this paragraph shall prevent the COUNTY from funding or facilitating a business incubator within other municipalities or the unincorporated areas of the county at any time, except that the COUNTY shall not terminate this Agreement for the sole purpose of funding or facilitating another business incubator with funds designated for the CITY absent a finding that the CITY's failed to comply with the terms and conditions outlined in this Agreement.

4. City Obligations. The CITY shall be responsible for creating and operating the Business Incubator Program described herein. In connection with such Program, the CITY shall be responsible for directly providing or contracting with third parties to provide the following:

- a. \$50,000.00 per year for three years, payable directly to UCF. The parties acknowledge that the Agreement to be signed between the CITY and UCF for the creation of a business incubator within the City Limits of Eustis requires a payment of \$200,000.00 per year for three years; however, the CITY shall contribute \$50,000.00 per year and the remainder shall come from funds to be provided by the COUNTY as outlined in paragraph 5 below. A copy of the fully executed agreement shall be provided to the COUNTY by the CITY.
- b. Meeting space for 18-35 participants and office space for Incubator staff.
- c. Full-time staff resource to engage community leaders to build program awareness, identify prospect companies, build mentor and service provider networks, and work with individual companies/entrepreneurs.
- d. Leverage existing Small Business Development Center (SBDC) resources within Lake County to hold office hours and small business programming.
- e. Launch virtual incubator leveraging business incubation staff requiring companies to go through the standard incubator application process and access all incubator programming.
- f. Launch two (2) business bootcamp programs per year to support existing small businesses. Each cohort runs a 2.5-hour session per week for ten (10) weeks, supporting 20-40 companies. The bootcamp focuses on a wide range of business support modules including Business Modeling, Organizational Structure, Customer Relations, and Operations/Finance.
- g. Operations oversight of the UCF Agreement and successful operation of the business incubator.
- h. Develop partnership with entities such as Lake Technical College, Lake Sumter State College, and others to ensure a successful and large impact on businesses working with the business incubator.
- i. Continue to work on additional funding sources for the benefit of the business incubator. (e.g., EDA funding for a Feasibility Study or EDA funding to construct a standalone incubator building.)

5. **County Obligations.** The COUNTY shall provide a funding contribution to the CITY in an amount not-to-exceed **\$450,000.00**, to be paid annually as follow:

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| a. | First Payment (due no later than July 1, 2023): | \$75,000.00 |
| b. | Second Payment (due no later than November 1, 2023): | \$150,000.00 |
| c. | Third Payment (due no later than November 1, 2024): | \$150,000.00 |
| d. | Final Payment (due no later than November 1, 2025): | \$75,000.00 |

Other than as stated herein, the COUNTY shall not be responsible for any costs associated with the operation of the business incubator program. The First Payment is contingent upon the CITY providing the COUNTY with a fully executed copy of an agreement with UCF as set forth in paragraph 4.a above. In order for the COUNTY to make the First Payment by July 1, 2023, the CITY must provide a copy of the fully executed UCF agreement no later than June 1, 2023, to allow sufficient time for the COUNTY to process the payment request, otherwise, the First Payment will be due no later than thirty (30) days after a fully executed copy of the UCF agreement is delivered to the COUNTY. All other payments will remain due November 1, 2023, so long as a fully executed copy of the UCF Agreement has been provided to the County.

6. **Annual Reporting Requirements.** No later than October 31, 2024, and each October 31 thereafter for so long as this Agreement remains in effect, the CITY shall provide a report to the COUNTY that includes the following information:

- a. Amount expended by the CITY on facility rent;
- b. Number of entrepreneur development events held;
- c. Number of participants in bootcamps and entrepreneur development workshops;
- d. Amount spent on marketing or advertising;
- e. Number of start-ups graduated from the Program;
- f. Number of Scale-ups achieved;
- g. Amount of funding/investments secured by companies;
- h. Number of jobs created;
- i. Retention of graduating companies within the City of Eustis and within the geographic boundaries of Lake County.

7. **Audit Requirements.** Upon request of the COUNTY, the CITY shall provide the COUNTY with an audit report and any supporting documentation necessary to verify the contents of the annual report required under Section 6 above. In the event the audit is deemed insufficient or does not support the use of the funds, the COUNTY may suspend payments under this Agreement until such time as the audit meets the reasonable satisfaction of the COUNTY. The COUNTY may additionally seek reimbursement of any funds not used appropriately under the terms of this Agreement.

8. **Notices.** Wherever provision is made in this Agreement for the giving, service or delivery of any notice, statement or other instrument, such notice shall be in writing and shall be

Business Incubator Agreement with the City of Eustis
deemed to have been duly given, served, and delivered, if delivered by hand or mailed by United States registered or certified mail or sent by facsimile, addressed as follows:

City of Eustis:
City Manager
P.O. Drawer 68
Eustis, FL 32726

County:
County Manager
P.O. Box 7800
Tavares, FL 32778

cc: County Attorney's Office
P.O. Box 7800
Tavares, FL 32778

Each party hereto may change its mailing address by giving to the other party hereto, by hand delivery, United States registered or certified mail notice of election to change such address.

9. Entire Agreement. This Agreement is intended by the parties hereto to be the final expression of their Agreement, and it constitutes the full and entire understanding between the parties with respect to the subject hereof, notwithstanding any representations, statements, or Agreements to the contrary heretofore made.

10. No Third-Party Beneficiaries. This Agreement is made for the sole benefit of the parties hereto and their respective successors and assigns and is not intended to and shall not benefit a third party. No third party shall have any rights hereunder or as a result of this Agreement or any rights to enforce any provisions of this Agreement.

11. Force Majeure/Emergency Non-Appropriation. In the event CITY or COUNTY should be delayed in, or prevented from, performing or carrying out any of the Agreements, covenants, or obligations made by, and imposed upon, said party by this Agreement, by reason of or through any cause reasonably beyond its control and not attributable to its neglect, including but not limited to condemnation, order of any court granted in any bona fide adverse legal proceeding or action, explosion, fire or other act of God or public enemies, and/or emergency non-appropriation, then, in each such case or cases, the affected party shall be relieved of performance under this Agreement.

12. Conditions Precedent. This Agreement is contingent upon the CITY and UCF entering into an Agreement for the creation of the business incubator. If the CITY and UCF do not enter into such Agreement by June 1, 2023, this Agreement shall be null and void and the parties shall be automatically released from all obligations hereunder.

13. Controlling Law. This Agreement is entered into pursuant to the laws of the State of Florida and shall be construed and enforced thereunder. In the event of litigation for any alleged breach of this Agreement, exclusive jurisdiction and venue for such litigation shall be in the Circuit Court of Lake County, Florida.

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement on the respective dates under each signature: COUNTY, signing by and through its Chairman, and by the duly authorized representative of the CITY.

ATTEST:

BOARD OF COUNTY COMMISSIONERS
OF LAKE COUNTY, FLORIDA

Gary J. Cooney, Clerk
Board of County Commissioners of
Lake County, Florida

Kirby Smith, Chairman

This ____ day of _____, 2023.

Approved as to form and legality:

Melanie Marsh, County Attorney

ATTEST:

CITY

Christine Halloran
City Clerk

Name: _____
Title: _____
This ____ day of _____, 2023.

Approved as to Form and Legality:

Sasha Garcia, City Attorney