## **Interoffice Memorandum**





DATE:

May 13, 2022

TO:

Mayor Jerry L. Demings

-AND-

**County Commissioners** 

FROM:

Jon V. Weiss, P.E., Director

Planning, Environmental and Development

Services Department

CONTACT PERSON: Joseph Kunkel, DRC Chairman **Development Review Committee** 

**Public Works Department** 

(407) 836-7971

SUBJECT:

May 24, 2022 — Consent Item

Hold Harmless and Indemnification Agreement

(Highland Ridge)

Case # HHA-22-05-156

The Orange Lake Country Club Planned Development (PD) / Orange Lake Country Club Village NW2 Preliminary Subdivision Plan (PSP) was originally approved by the Board on January 8, 2019. The PSP is currently approved for 240 single-family residential dwelling units on a total of 88.01 acres, to be built in two phases. The Orange Lake Country Club Village NW2 PSP is generally located south of Hartzog Road and west of State Road 429.

The plats for Phase 1 and Phase 2 were submitted on December 10, 2021, and February 24, 2022, respectively, and staff has indicated the plat for Phase 1 should be ready for approval on or about 30 days from the effective date of the attached Agreement. However, approval of the plats are contingent upon the County's acceptance of the realigned. Hartzog Road. Hartzog Road is being constructed by Holiday Inn Club Vacations Incorporated pursuant to the 2008 Hartzog Road Right-of-Way Agreement. Due to issues that arose during construction, there have been significant delays in the County's acceptance of Hartzog Road for maintenance.

The Applicant, Meritage Homes of Florida, Inc., is requesting relief under Section 30-83(b) of Orange County Code, which allows the Development Review Committee (DRC) to approve, under terms and conditions acceptable to it, vertical construction for singlefamily homes prior to plat, if the plat for a project is delayed through no fault of the applicant.

The Applicant attended the April 27, 2022 DRC meeting to discuss this request. The DRC determined that they could be comfortable approving construction of up to 15 of the Page Two
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approximately 240 single-family homes contemplated to be built in Phases 1 and 2 prior to plat approval, provided the applicant met certain terms and conditions. One of those terms and conditions is that the Applicant enter into a Hold Harmless and Indemnification Agreement which includes requirements similar to those for model homes including, but not limited to, that all construction is at the Applicant's sole risk and expense, that no certificate of occupancy, temporary or otherwise, will be provided until the completion and conveyance of Hartzog Road, and that the Applicant will be required to provide notice to any potential purchaser of such single-family units indicating that no certificate of occupancy will be allowed until Hartzog Road is complete and the plat has been approved and recorded.

The Applicant attended the May 11, 2022 DRC meeting where the Hold Harmless and Indemnification Agreement was considered. At this meeting, staff indicated that there may be additional delays in the approval of the Phase 1 plat. DRC considered additional language that if the plat approval was delayed beyond 60 days from the effective date of the Agreement, it would be comfortable with the County's approval of permits for an additional 15 single family homes, subject to the same terms and conditions.

The Hold Harmless and Indemnification Agreement received a recommendation of approval from the DRC on May 11, 2022. Upon approval by the Board, the Hold Harmless and Indemnification Agreement will be recorded in the Public Records of Orange County.

**ACTION REQUESTED:** 

Approval and execution of Hold Harmless and Indemnification Agreement (Highland Ridge) by and between Meritage Homes of Florida, Inc. and Orange County providing for the issuance of permits for up to 30 single family homes prior to approval and recording of the plat for Phase 1. District 1

JVW/JK/lme Attachment BCC Mtg. Date: May 24, 2022

Instrument prepared by:

Vivien J. Monaco, Esq. Watson Sloane PLLC 100 South Orange Ave., Suite 1000 Orlando, Florida 32801

Return to: Orange County Attorney's Office P.O. Box 1393 Orlando, Florida 32802

Parcel ID No. 28-24-27-0000-00-024

# HOLD HARMLESS AND INDEMNIFICATION AGREEMENT (Highland Ridge)

This Hold Harmless and Indemnification Agreement (the "Agreement") is made by and between Meritage Homes of Florida, Inc., a Florida corporation whose mailing address is 5337 Millenia Lakes Boulevard, Suite 410, Orlando, Florida 32839 (and whose corporate headquarters address is 880 East Raintree Drive, Suite 300, Scottsdale, Arizona 85260) ("Applicant") and Orange County, a charter county and political subdivision of the State of Florida, whose mailing address is c/o Orange County Administrator, P.O. Box 1393, Orlando, Florida 32802-1393 ("County").

#### WITNESSETH:

WHEREAS, Applicant holds fee simple title to property, which property is more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference (the "Property"), and which, when platted, will become the subdivision known as "Highland Ridge;" and

WHEREAS, the Property is adjacent to and will be accessed by the realigned Hartzog Road between Flamingo Crossings and the terminus of Avalon Road ("Realigned Hartzog Road") that is the subject of that certain Hartzog Road Right-of-Way Agreement by and among Holiday

Inn Club Vacations Incorporated, a Delaware corporation authorized to transact business in Florida, successor by conversion to and formerly known as Orange Lake Country Club, Inc., a Florida corporation ("Orange Lake"), five other parties, and the County dated effective June 3, 2008, recorded at Official Records Book 9712, Page 4850 (the "ROW Agreement"), as supplemented by that certain Supplemental Road Agreement to Hartzog Road Right-of-Way Agreement dated effective November 12, 2019, recorded as Document Number 20190732203, all in the Public Records of Orange County, Florida (the "Supplemental Agreement," and together with the ROW Agreement, the "Hartzog Road Agreement"); and

WHEREAS, Meritage acquired the Property from Orange Lake in reliance on schedule commitments from Orange Lake, including the construction and completion of the Realigned Hartzog Road (required for access to the Property) by October 20, 2020, and accordingly prepared a business plan and schedule for developing the Highland Ridge subdivision on the Property; and

WHEREAS, the Highland Ridge subdivision is to be completed in two phases with approximately seventy-nine (79) single-family lots in Phase 1, and one hundred sixty-one (161) single-family lots in Phase 2, for approximately two hundred forty (240) lots total; and

WHEREAS, permits for subdivision construction plans have been issued for both Phase 1 and Phase 2 (each, a "Phase" and together, the "Phases") of the Highland Ridge subdivision and subdivision infrastructure is currently under construction and substantially complete for the vertical construction of the Project (defined below); and

**WHEREAS**, the Applicant has submitted plats to the County for review for both Phases of the Highland Ridge subdivision (together, the "Meritage Plats" or the "Plats", and as to each Phase, the "Meritage Plat" or the "Plat", as applicable); and

WHEREAS, the County has determined that the Highland Ridge Plats are in final review, and the County anticipates that the Phase 1 Plat will be in final form ready for approval on or about thirty (30) days from the Effective Date (as defined herein) of this Agreement; and

WHEREAS, due to certain issues that arose during construction of the Realigned Hartzog Road, the County has not yet accepted and issued a "Certificate of Completion" for the Realigned

Hartzog Road; however, the Realigned Hartzog Road is substantially complete and is sufficient to provide safe and adequate access to the Property; and

WHEREAS, as a result of the lack of a Certificate of Completion for the Realigned Hartzog Road, and due to no fault of the Applicant, the Highland Ridge Plats cannot be finally approved and recorded prior to the issuance of the Certificate of Completion for the Realigned Hartzog Road; and

WHEREAS, Section 30-83(b), Orange County Code, provides, in pertinent part, "for single-family development where it is expected or determined that the plat for a particular development cannot be approved and recorded through no fault of the developer's before vertical construction is ready to commence, the development review committee ["DRC"] may approve vertical construction in advance of platting pursuant to terms and conditions that are acceptable to the DRC, provided that in no event may a temporary or permanent certificate of occupancy be issued for such vertical construction before the plat is approved and recorded"; and

WHEREAS, the DRC has determined that the delay in approving and recording the Highland Ridge Plats is through no fault of the Applicant's; and

WHEREAS, pursuant to Section 30-83(b), Orange County Code, Applicant has requested, and, in consideration of the terms and conditions set forth herein, the DRC has recommended approval of vertical construction for fifteen (15) single-family homes in Phase 1 of the Highland Ridge subdivision, of the total 240 single-family homes to be ultimately built in Phase 1 and Phase 2 of the Highland Ridge, on the Property prior to approval of the Phase 1 Plat (the "Initial Project"); and

WHEREAS, in the event the Phase 1 Plat is not in final form and ready for approval, through no fault of the Applicant (to be confirmed by the County's Development Engineering Division), within sixty (60) days from the Effective Date of this Agreement, the DRC has recommended approval of vertical construction for an additional fifteen (15) single-family homes to be built in Phase 1 on the Property, for a total of thirty (30) single-family homes, prior to approval of the Phase 1 Plat (the "Additional Project" and together with the Initial Project, the "Project"); and

WHEREAS, the Initial Project is more particularly described in Exhibit "B" and the Additional Project is more particularly described in Exhibit "C", both attached hereto and incorporated herein by this reference; and

WHEREAS, the DRC's agreement to the Project is subject to certain terms and conditions, including indemnifying and holding the County harmless, all as provided herein; and

WHEREAS, Applicant understands and agrees that constructing the Project upon the Property before the Phase 1 Plat is formally approved by County and recorded is being done solely at Applicant's risk and may place such Project at risk of having to be substantially modified or completely removed, if necessary, by Applicant in order for County to formally approve the Plat and, in spite of these risks, Applicant desires to commence construction of the Project upon the Property.

NOW, THEREFORE, in consideration of these premises, the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Applicant and County hereby agree as follows:

- 1. **RECITALS.** The above recitals are true and correct and are hereby incorporated as a material part of this Agreement by this reference.
  - 2. **ACKNOWLEDGEMENTS.** Applicant acknowledges that:
    - (a) Applicant is requesting, at its sole risk and expense, that County issue building permits prior to approval and recording of the Phase 1 Plat;
    - (b) Regardless of approval of Applicant's request, Applicant has a continuing obligation to have the Phase 1 Plat for the Project approved and recorded; and
    - (c) Applicant understands and agrees that under no circumstances will the County issue a temporary or permanent certificate of occupancy until the Phase 1 Plat is approved and recorded for the Project and the certificate of completion for the site work for Phase 1 has been issued;
      - (d) All construction is at Applicant's sole risk and expense;

- (e) Curb and stabilized road base must be installed to the satisfaction of the public works department;
- (f) Drainage infrastructure must be completed for the development to the satisfaction of the public works department;
- (g) A fully functional, readily accessible, county-approved fire hydrant must be in place in a location suitable to serve the entire Project;
- (h) The water system serving the Project must be partially or fully cleared for service by the Florida Department of Environmental Protection;
- (i) Permanent street signs and a street address number for each proposed home shall be in place to facilitate emergency response, as determined by the Orange County Fire Marshal, and Applicant shall provide a GIS shapefile prior to addressing, showing all of the linework for the Phase 1 Plat, to the Zoning Division to be added to the preliminary parcel layer;
- (j) Applicant shall have complied with any and all other Orange County Code provisions, including zoning regulations;
- (k) All recreation tracts for Phase 1 of the Highland Ridge subdivision must be permitted and have received a certificate of completion prior to issuance of certificates of occupancy;
- (l) Until final approval and recording of the Phase 1 Plat, Applicant must provide written notice to any and all prospective buyers of single-family homes to ultimately be included within the Phase 1 Plat that certificates of occupancy will not be issued until the final Phase 1 Plat is approved and recorded and the certificate of completion for the site work for Phase 1 has been issued; and
- (m) Concurrency must be satisfied and reservation accounts funded (or exemptions documented), as applicable, for the Project.

### 3. HOLD HARMLESS AND INDEMNIFICATION.

- (a) Applicant hereby assumes sole and entire responsibility for any and all costs associated with the need to modify or remove, if necessary, any structure, easement, dedication, or other improvement(s) constructed or placed upon the Property that may arise during County's review of the Phase 1 Plat.
- (b) Applicant and its successors, assigns, heirs, grantees, representatives, invitees, and permittees hereby agree to release, indemnify, defend (with legal counsel acceptable to County), and hold County, its Board members, officers, employees, contractors, agents, and elected and appointed officials, harmless from and against any and all claims, suits, judgments, demands, liabilities, damages, costs, and expenses (including but not limited to attorneys' fees, paralegals' fees, consultants' fees and costs at all administrative, pretrial, trial, and appellate levels) of any kind or nature whatsoever, including without limitation damage to property, arising out of or related in any way to the issuance of building permit(s) for the Project until such time as the Plat for the Property has been approved and recorded.
- 4. **COVENANTS RUNNING WITH THE LAND.** This Agreement shall run with the Property and shall be binding on all parties having any right, title, or interest in the Property described herein or any portion thereof, their heirs, representatives, successors, and assigns.
- 5. **AMENDMENT/TERMINATION.** This Agreement may be amended or terminated only by express written instrument approved by County and Applicant. The foregoing notwithstanding, this Agreement shall automatically terminate upon the later of recordation of the Phase 1 Plat or the issuance of the certificate of completion for the site work for Phase 1; provided, however, that Applicant's assumption of responsibility and agreement to release, indemnify, defend, and hold County harmless, as more fully set forth in paragraph 3 hereof, shall survive such automatic termination with respect to any event related to the issuance of the building permit(s) prior to approval and recording of the Phase 1 Plat which may occur prior to the recording of the Phase 1 Plat.

- 6. **APPLICABLE LAW.** This Agreement and the provisions contained herein shall be construed, controlled, and interpreted according to the laws of the State of Florida.
- 7. **RECORDATION.** An executed original of this Agreement shall be recorded, at Applicant's expense, in the Public Records of Orange County, Florida.
- 8. **EFFECTIVE DATE.** This Agreement shall become effective on the date of execution by County or the date of execution by Applicant, whichever is later.
- 9. **COUNTERPARTS**. This Agreement may be executed in up to two identical counterparts, each of which, when executed, shall be deemed to be an original and all of which together shall constitute one and the same document.
- 10. **ENTIRE AGREEMENT**. This Agreement contains the entire understanding between the parties and the parties agree that no representation was made by or on behalf of the other which is not contained in this Agreement, and that in entering into this Agreement neither relied upon any representation not especially herein contained.

[Signature pages to follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective duly authorized representatives on the dates set forth below.



ORANGE COUNTY, FLORIDA

By: Board of County Commissioners

Jerry L. Demings,
Orange County Mayor

Date: \_\_\_\_\_ May 24, 2022

ATTEST: Phil Diamond, CPA, County Comptroller As Clerk of the Board of County Commissioners

By: Kotilonia

Deputy Clerk

Printed name: Katie Smith

WITNESSES:	MERITAGE HOMES OF FLORIDA, INC., a Florida for profit corporation
By: Saltill Shamma  Name: Gabriel Shamma  By: Mame: MICHAEL FRATTI	By:  Name: TEREMY CAMP  Title: W OF LAND DEVELOPMENT  Date: 5/16/22
STATE OF FLORIDA	
COUNTY OF OY AVAL	
<b>5 C</b>	owledged before me, a Notary Public, by means of D
	arization this $\sqrt{6}$ day of $\sqrt{6}$ , 2022, by
1 1	as VP of Land Dev. of Meritage Homes of
Florida, Inc., a Florida corporation, on behalf	f of said corporation, who 🖾 is personally known to me
or $\square$ has produced (type of identificat	tion) as
identification.	AU BM
	Notary Public
ALEXANDRA GREINER Notary Public, State Of Florida Commission No. HH 194276 My Commission Expires: 11/2/2025	Printed Name <u>Alexandra</u> Gweiner
Tombinoton Empired. 11/2/2023	Mr. Commission Francisco 11 2 2025

# EXHIBIT "A" LEGAL DESCRIPTION

(1 page follows)

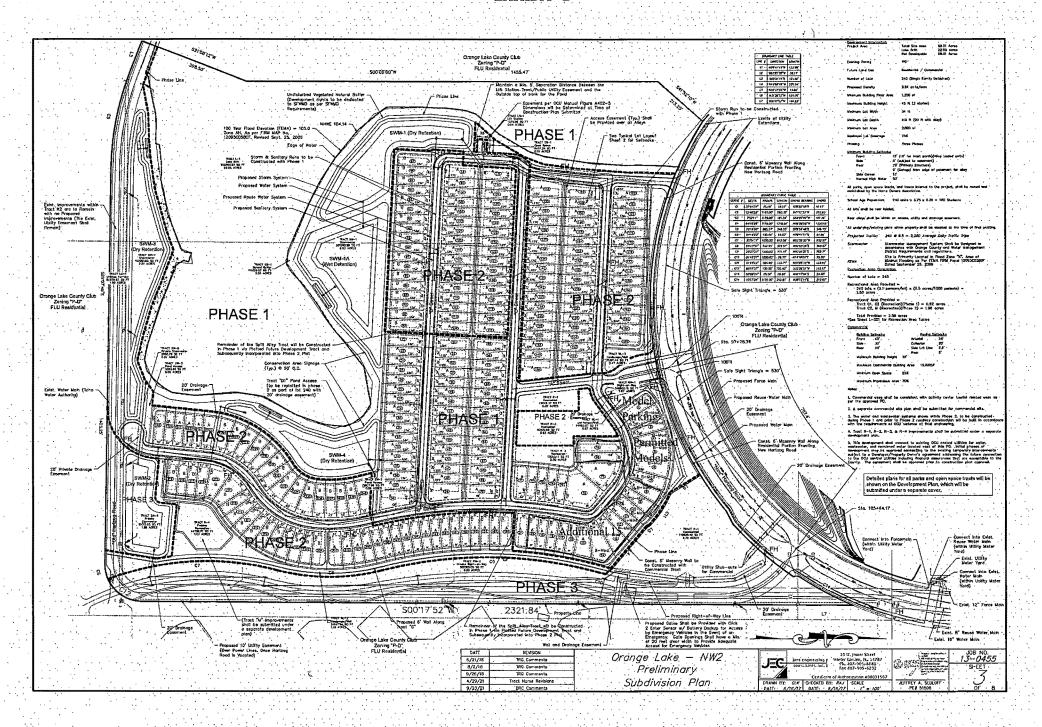
# Exhibit "A" Legal Description

That portion of the SW 1/4 of Section 28, Township 24 South, Range 27 East, Orange County, Florida, being described as follows:

Commence at the Northeast corner of the SW 1/4 of said Section 28, thence run N.89°41'43"W., along the North line of the SW 1/4 of Section 28, 153.88 feet to the Southerly line of proposed Hartzog Road realignment being a non-tangent curve concave to the East, thence run Southerly along said curve having a central angle of 37°51'02", a radius of 25.00 feet, an arc length of 16.52 feet, a chord bearing of S.05° 52'06"E. and a chord distance of 16.22 feet, thence continue along said South right of way line the following three (3) courses; run along a non-tangent curve concave to the Northwest, thence run Southwesterly along said curve having a central angle of 13°40'33", a radius of 1187.00 feet, an arc length of 283.32 feet, a chord bearing of S.41°13'33"W. and a chord distance of 282.65 feet, thence run S.62°35'30"W. 52.17 feet to a non-tangent curve concave to the Northwest, thence run Southwesterly along said curve having a central angle of 07°52'11", a radius of 1175.00 feet, an arc length of 161.39 feet, a chord bearing of S.54°27'42"W. and a chord distance of 161.26 feet to the POINT OF BEGINNING; thence continue Westerly along said curve and South right of way line having a central angle of 64°18'29", a radius of 1175.00 feet, an arc length of 1318.80 feet, a chord bearing of N.89°26'58"W. and a chord distance of 1250.66 feet, thence departing said Southerly right of way line run S.41°52'10"W. 213.20 feet, thence run S.00°00'00"W. 1455.47 feet, thence run S.21°08'12"W. 398.50 feet to the Southerly right of way line of vacated Hartzog Road, thence run the following four (4) courses along said Southerly right of way line, S.68°51'48"E. 121.50 feet to a curve concave to the Northeast, thence run Southeasterly along said curve having a central angle of 20°16'00", a radius of 985.37 feet, an arc length of 348.55 feet, a chord bearing of S.78°59'48"E. and a chord distance of 346.73 feet, thence run S.89°07'48"E. 1403.25 feet to a curve concave to the North, thence run Easterly along said curve having a central angle of 24°16'23", a radius of 130.00 feet, an arc length of 55.07 feet, a chord bearing of N.78°44'01"E. and a chord distance of 54.66 feet to a non-tangent curve, thence departing said Southerly right of way line run along a curve concave to the East, thence run Northerly along said curve having a central angle of 35°04'11", a radius of 1000.00 feet, an arc length of 612.08 feet, a chord bearing of N.03°06'30"W. and a chord distance of 602.57 feet to a reverse curve concave to the West, thence run Northerly along said curve having a central angle of 28°43'57", a radius of 744.95 feet, an arc length of 373.57 feet, a chord bearing of N.00°03'38"E. and a chord distance of 369.67 feet to a reverse curve concave to the East, thence run Northerly along said curve having a central angle of 29°27'24", a radius of 1500.00 feet, an arc length of 771.18 feet, a chord bearing of N.00°25'21"E. and a chord distance of 762.71 feet to a reverse curve concave to the West, thence run Northerly along said curve having a central angle of 01°42'07", a radius of 1000.00 feet, an arc length of 29.70 feet, a chord bearing of N.14°18'00"E. and a chord distance of 29.70 feet, thence run N.49°58'48"W. 220.04 feet, thence run N.32°37'03"W. 14.85 feet to a non-tangent curve concave to the Southwest, thence run Northeasterly along said curve having a central angle of 21°26'22", a radius of 360.00 feet, an arc length of 134.71 feet, a chord bearing of N.57°28'42"W. and a chord distance of 133.92 feet, thence run N.31°36'12"W. 124.09 feet to the POINT OF BEGINNING.

# EXHIBIT "B" PRELIMINARY PLAN OF INITIAL PROJECT

### EXHIBIT "B"



# EXHIBIT "C" PRELIMINARY PLAN OF ADDITIONAL PROJECT

### EXHIBIT "C"

