

1 Introduced by the Council President at the request of the Mayor:

2
3 **ORDINANCE 2022-316**

4 AN ORDINANCE MAKING CERTAIN FINDINGS, AND
5 AUTHORIZING THE MAYOR, OR HIS DESIGNEE, TO
6 EXECUTE AN ECONOMIC DEVELOPMENT AGREEMENT
7 ("AGREEMENT") BETWEEN THE CITY OF JACKSONVILLE
8 ("CITY"), THE DOWNTOWN INVESTMENT AUTHORITY
9 ("DIA"), AND KELCO CL PARK, LLC ("DEVELOPER"),
10 TO SUPPORT THE CONSTRUCTION BY DEVELOPER OF A
11 SIX-STORY, SELECT-SERVICE, EXTENDED STAY HOTEL
12 UNDER THE HOME2SUITES BRAND OF HILTON HOTEL
13 PROPERTIES AND OTHER IMPROVEMENTS LOCATED AT 600
14 PARK STREET AND 616 PARK STREET IN THE BROOKLYN
15 DISTRICT OF DOWNTOWN JACKSONVILLE ("PROJECT");
16 AUTHORIZING A DOWNTOWN ECONOMIC DEVELOPMENT
17 GRANT IN THE AMOUNT OF UP TO \$2,385,220 TO THE
18 DEVELOPER IN CONNECTION WITH THE PROJECT, TO BE
19 APPROPRIATED BY SUBSEQUENT LEGISLATION;
20 DESIGNATING THE DIA AS CONTRACT MONITOR FOR THE
21 AGREEMENT; PROVIDING FOR CITY OVERSIGHT OF THE
22 PROJECT BY THE DOWNTOWN INVESTMENT AUTHORITY;
23 AUTHORIZING THE EXECUTION OF ALL DOCUMENTS
24 RELATING TO THE AGREEMENT AND TRANSACTIONS, AND
25 AUTHORIZING TECHNICAL CHANGES TO THE DOCUMENTS;
26 PROVIDING AN EFFECTIVE DATE.

27
28 **WHEREAS**, Kelco CL Park, LLC, or its affiliate, (the "Developer")
29 owns certain real property located at 600 Park Street and 616 Park
30 Street on which Developer intends to cause the construction and
31 development of a select-service, extended stay hotel under the

1 Home2Suites brand of Hilton Hotel Properties (the "Hotel") which
2 shall (i) consist of a minimum of six-stories; (ii) contain an
3 estimated 100 hotel rooms but no fewer than 98 hotel rooms; (iii)
4 contain a fitness center with a minimum of 800 square feet; (iv)
5 contain a flexible meeting space with a minimum of 700 square feet;
6 (v) contain a restaurant with not less than 2,000 leasable square
7 feet integrated into the primary Hotel building for a full-service
8 restaurant which shall be open to the public, face Park Street, and
9 include outdoor seating; (vi) contain a business center, laundry room
10 and sundries shop; and (vii) comply with such other terms as further
11 detailed in the Economic Development Agreement (the "Agreement")
12 placed **On File** with the Legislative Services Division (collectively,
13 the "Project"); and

14 **WHEREAS**, the Developer is seeking a Downtown Economic
15 Development Grant in the not-to-exceed amount of \$2,385,220 (the
16 "Downtown Economic Grant") for the construction and development of
17 the Project; and

18 **WHEREAS**, the Downtown Economic Grant will be disbursed, if at
19 all, in ten (10) equal disbursements pursuant to and as set forth in
20 the Agreement and after verification of the completion of certain
21 conditions including the substantial completion of the Project, but
22 in no case to exceed a total aggregate amount of \$2,385,220; and

23 **WHEREAS**, the DIA has considered the Developer's requests and has
24 recommended the Downtown Economic Grant to help support the commercial
25 growth occurring in, and future hospitality needs of, the Brooklyn
26 District of Downtown Jacksonville; and

27 **WHEREAS**, on December 15, 2021, the DIA approved a resolution
28 (the "Resolution") to enter into the Agreement, said Resolution being
29 attached hereto as **Exhibit 1**; and

1 **WHEREAS**, it has been determined to be in the interest of the
2 City to enter into the Agreement and approve of and adopt the matters
3 set forth in this Ordinance; now, therefore,

4 **BE IT ORDAINED** by the Council of the City of Jacksonville:

5 **Section 1. Findings.** It is hereby ascertained, determined,
6 found and declared as follows:

7 (a) The recitals set forth herein are true and correct.

8 (b) The Project will greatly enhance the City and otherwise
9 promote and further the municipal purposes of the City.

10 (c) The Project will enhance and increase the City's tax base
11 and revenues, and the Project will improve the quality of life
12 necessary to encourage and attract business expansion in the City.

13 (d) Enhancement of the City's tax base and revenues are matters
14 of State and City concern.

15 (e) The Developer is qualified to carry out the Project.

16 (f) The authorizations provided by this Ordinance are for public
17 uses and purposes for which the City may use its powers as a
18 municipality and as a political subdivision of the State of Florida
19 and may expend public funds, and the necessity in the public interest
20 for the provisions herein enacted is hereby declared as a matter of
21 legislative determination.

22 (g) This Ordinance is adopted pursuant to the provisions of
23 Chapters 163, 166 and 125, Florida Statutes, as amended, the City's
24 Charter, and other applicable provisions of law.

25 **Section 2. Economic Development Agreement Approved.** The Mayor
26 (or his authorized designee) and the Corporation Secretary are hereby
27 authorized to execute and deliver the Agreement substantially in the
28 form placed **On File** with the Legislative Services Division (with such
29 "technical" changes as herein authorized), for the purpose of
30 implementing the recommendations of the DIA as further described in
31 the Agreement.

1 The Agreement may include such additions, deletions and changes
2 as may be reasonable, necessary and incidental for carrying out the
3 purposes thereof, as may be acceptable to the Mayor, or his designee,
4 with such inclusion and acceptance being evidenced by execution of
5 the Agreement by the Mayor or his designee. No modification to the
6 Agreement may increase the financial obligations or the liability of
7 the City or DIA and any such modification shall be technical only and
8 shall be subject to appropriate legal review and approval of the
9 General Counsel, or his or her designee, and all other appropriate
10 action required by law. "Technical" is herein defined as including,
11 but not limited to, changes in legal descriptions and surveys,
12 descriptions of infrastructure improvements and/or any road project,
13 ingress and egress, easements and rights of way, performance schedules
14 (provided that no performance schedule may be extended for more than
15 six months without DIA Board approval), design standards, and access
16 and site plan, which have no financial impact.

17 **Section 3. Downtown Economic Grant to Developer.** The
18 Downtown Economic Grant is hereby authorized by this Ordinance,
19 subject to future appropriation, and the City is authorized to
20 disburse the Downtown Economic Grant to the Developer in an aggregate
21 amount not to exceed \$2,385,220, pursuant to and as set forth in the
22 Agreement.

23 **Section 4. Designation of Authorized Official and DIA as**
24 **Contract Monitor.** The Mayor is designated as the authorized official
25 of the City for the purpose of executing and delivering any contracts
26 and documents and furnishing such information, data and documents for
27 the Agreement and related documents as may be required and otherwise
28 to act as the authorized official of the City in connection with the
29 Agreement, and is further authorized to designate one or more other
30 officials of the City to exercise any of the foregoing authorizations
31 and to furnish or cause to be furnished such information and take or

1 cause to be taken such action as may be necessary to enable the City
2 to implement the Agreement according to its terms. The DIA is hereby
3 required to administer and monitor the Agreement and to handle the
4 City's responsibilities thereunder, including the City's
5 responsibilities under the Agreement working with and supported by
6 all relevant City departments.

7 **Section 5. Oversight Department.** The Downtown Investment
8 Authority shall oversee the Project described herein.

9 **Section 6. Further Authorizations.** The Mayor, or his
10 designee, and the Corporation Secretary, are hereby authorized to
11 execute the Agreement and all other contracts and documents and
12 otherwise take all necessary action in connection therewith and
13 herewith. The Chief Executive Officer of the DIA, as contract
14 administrator, is authorized to negotiate and execute all necessary
15 changes and amendments to the Agreement and other contracts and
16 documents, to effectuate the purposes of this Ordinance, without
17 further Council action, provided such changes and amendments are
18 limited to amendments that are technical in nature (as described in
19 Section 2 hereof), and further provided that all such amendments
20 shall be subject to appropriate legal review and approval by the
21 General Counsel, or his or her designee, and all other appropriate
22 official action required by law.

23 **Section 7. Effective Date.** This Ordinance shall become
24 effective upon signature by the Mayor or upon becoming effective
25 without the Mayor's signature.

26
27 Form Approved:

28 /s/ Joelle J. Dillard

29 Office of General Counsel

30 Legislation Prepared By: Joelle J. Dillard

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