

1 Introduced by the Council President at the request of the Mayor:
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4 **ORDINANCE 2023-239**

5 AN ORDINANCE MAKING CERTAIN FINDINGS, AND
6 AUTHORIZING THE MAYOR, OR HIS DESIGNEE, TO
7 EXECUTE AN ECONOMIC DEVELOPMENT AGREEMENT
8 ("AGREEMENT") BETWEEN THE CITY OF JACKSONVILLE
9 ("CITY") AND AVION MF PARTNERS, LLC
10 ("DEVELOPER"), TO SUPPORT THE DEVELOPMENT BY
11 DEVELOPER OF AN APPROXIMATELY 320-UNIT APARTMENT
12 COMMUNITY LOCATED GENERALLY ON DUVAL ROAD, NORTH
13 OF I-295 AND WEST OF BISCAYNE BOULEVARD, IN THE
14 CITY OF JACKSONVILLE ("PROJECT"); AUTHORIZING A
15 SEVENTY-FIVE PERCENT, FIFTEEN YEAR RECAPTURE
16 ENHANCED VALUE (REV) GRANT IN THE MAXIMUM AMOUNT
17 NOT TO EXCEED \$7,500,000 IN CONNECTION WITH THE
18 PROJECT; DESIGNATING THE OED AS CONTRACT MONITOR
19 FOR THE AGREEMENT; PROVIDING FOR CITY OVERSIGHT
20 OF THE PROJECT BY THE OED; AUTHORIZING THE
21 EXECUTION OF ALL DOCUMENTS RELATING TO THE ABOVE
22 AGREEMENTS AND TRANSACTIONS, AND AUTHORIZING
23 TECHNICAL CHANGES TO THE DOCUMENTS; PROVIDING A
24 DEADLINE FOR THE DEVELOPER TO EXECUTE THE
25 AGREEMENT AFTER IT IS DELIVERED TO THE
26 DEVELOPER; WAIVER OF THOSE PORTIONS OF THE
27 PUBLIC INVESTMENT POLICY ADOPTED BY ORDINANCE
28 2022-372-E, AS AMENDED, WHICH WOULD REQUIRE THAT
29 IN ORDER FOR A PROJECT TO RECEIVE A REV GRANT
30 THE DEVELOPER MUST BE IN A TARGETED INDUSTRY AND
31 CREATE 10 NEW FULL-TIME JOBS AT GREATER THAN OR

1 EQUAL TO 100% OF THE STATE OF FLORIDA AVERAGE
2 WAGE; PROVIDING AN EFFECTIVE DATE.
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4 **WHEREAS**, Avion MF Partners, LLC (the "Developer") has submitted
5 a proposal for the development of certain real property owned by the
6 Developer and located generally on Duval Road, north of I-295 and
7 west of Biscayne Boulevard, within the City, which the Developer
8 intends to develop into approximately a 320-unit, market rate
9 apartment community, with ninety-six (96) units set aside for
10 workforce housing (the "Project"), as further detailed in the Economic
11 Development Agreement ("Agreement") placed **On File** with the
12 Legislative Services Division; and

13 **WHEREAS**, the Agreement authorizes a 15 year, 75% REV Grant in
14 the maximum amount of \$7,500,000, payable in annual installments
15 beginning the first year following substantial completion of the
16 Project; and

17 **WHEREAS**, the Office of Economic Development ("OED") has
18 considered the Developer's requests and has determined that the REV
19 Grant will enable the Developer to develop the property and complete
20 the Project as further described in the Agreement; and

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

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

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

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

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

30 (c) The City's assistance for the Project will enable and
31 facilitate the Project, the Project will enhance and increase the

1 City's tax base and revenues, and the Project will improve the quality
2 of life necessary to encourage and attract business expansion in the
3 City.

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

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

7 (f) The authorizations provided by this Ordinance are for public
8 uses and purposes for which the City may use its powers as a
9 municipality and as a political subdivision of the State of Florida
10 and may expend public funds, and the necessity in the public interest
11 for the provisions herein enacted is hereby declared as a matter of
12 legislative determination.

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

16 **Section 2. Economic Development Agreement Approved.** The Mayor
17 (or his authorized designee) and the Corporation Secretary are hereby
18 authorized to execute and deliver the Agreement and related documents
19 referenced therein (collectively, the "Agreements") substantially in
20 the form **On File** with the Legislative Services Division (with such
21 "technical" changes as herein authorized), for the purpose of
22 implementing the recommendations of the OED, as further described in
23 the Project Summary attached hereto as **Exhibit 1** and incorporated
24 herein by this reference.

25 The Agreements may include such additions, deletions and changes
26 as may be reasonable, necessary and incidental for carrying out the
27 purposes thereof, as may be acceptable to the Mayor, or his designee,
28 with such inclusion and acceptance being evidenced by execution of
29 the Agreements by the Mayor or his designee. No modification to the
30 Agreements may increase the financial obligations or the liability of
31 the City or OED and any such modification shall be technical only and

1 shall be subject to appropriate legal review and approval of the
2 General Counsel, or his or her designee, and all other appropriate
3 action required by law. "Technical" is herein defined as including,
4 but not limited to, changes in legal descriptions and surveys,
5 descriptions of infrastructure improvements and/or any road project,
6 ingress and egress, easements and rights of way, performance schedules
7 (provided that no performance schedule may be extended for more than
8 one year without Council approval) design standards, access and site
9 plan, which have no financial impact.

10 **Section 3. Payment of REV Grant to Developer.**

11 (a) The REV Grant in the amount not to exceed \$7,500,000, the
12 terms of which are more specifically described in the Agreement,
13 shall not be deemed to constitute a debt, liability, or obligation
14 of the City or of the State of Florida or any political subdivision
15 thereof within the meaning of any constitutional or statutory
16 limitation, or a pledge of the faith and credit or taxing power of
17 the City or of the State of Florida or any political subdivision
18 thereof, but shall be payable solely from the funds provided therefor
19 as provided in this Section. The Agreement shall contain a statement
20 to the effect that the City shall not be obligated to pay any
21 installment of its financial assistance to the Developer except from
22 the non-ad valorem revenues or other legally available funds provided
23 for that purpose, that neither the faith and credit nor the taxing
24 power of the City or of the State of Florida or any political
25 subdivision thereof is pledged to the payment of any portion of such
26 financial assistance, and that the Developer, or any person, firm or
27 entity claiming by, through or under the Developer, or any other
28 person whomsoever, shall never have any right, directly or indirectly,
29 to compel the exercise of the ad valorem taxing power of the City or
30 of the State of Florida or any political subdivision thereof for the
31 payment of any portion of such financial assistance.

1 (b) The OED is hereby authorized to and shall disburse the annual
2 installments of the REV Grant to the Developer as provided in this
3 Section in accordance with this Ordinance and the Agreement.

4 **Section 4. Designation of Authorized Official and OED as**
5 **Contract Monitor.** The Mayor is designated as the authorized official
6 of the City for the purpose of executing and delivering any contracts
7 and documents and furnishing such information, data and documents for
8 the Agreements and related documents as may be required and otherwise
9 to act as the authorized official of the City in connection with the
10 Agreements, and is further authorized to designate one or more other
11 officials of the City to exercise any of the foregoing authorizations
12 and to furnish or cause to be furnished such information and take or
13 cause to be taken such action as may be necessary to enable the City
14 to implement the Agreements according to their terms. The OED is
15 hereby required to administer and monitor the Agreement and to handle
16 the City's responsibilities thereunder, including the City's
17 responsibilities under such agreement working with and supported by
18 all relevant City departments.

19 **Section 5. Oversight Department.** The Department of Public
20 Works and the OED shall oversee the Project described herein.

21 **Section 6. Further Authorizations.** The Mayor, or his
22 designee, and the Corporation Secretary, are hereby authorized to
23 execute the Agreements and all other contracts and documents and
24 otherwise take all necessary action in connection therewith and
25 herewith. The Executive Director of the OED, as contract
26 administrator, is authorized to negotiate and execute all necessary
27 changes and amendments to the Agreements and other contracts and
28 documents, to effectuate the purposes of this Ordinance, without
29 further Council action, provided such changes and amendments are
30 limited to amendments that are technical in nature (as described in
31 Section 2 hereof), and further provided that all such amendments

1 shall be subject to appropriate legal review and approval by the
2 General Counsel, or his or her designee, and all other appropriate
3 official action required by law.

4 **Section 7. Execution of Agreement.** If the Economic
5 Development Agreement approved by this Ordinance has not been signed
6 by the Developer within ninety (90) days after the OED delivers or
7 mails the unexecuted Economic Development Agreement to the Developer
8 for execution, then the City Council approvals in this Ordinance and
9 authorization for the Mayor to execute the Agreement are automatically
10 revoked; provided, however, that the Executive Director of the OED
11 shall have the authority to extend such ninety (90) day period in
12 writing at his discretion for up to an additional ninety (90) days.

13 **Section 8. Waiver of Public Investment Policy.** The
14 following requirements of the Public Investment Policy adopted by
15 City Council Ordinance 2022-372-E, as amended, are waived: the REV
16 Grant requirements that the Developer must be in a Targeted Industry
17 and create 10 new full-time jobs at greater than or equal to one
18 hundred percent of the State of Florida average wage. The waiver is
19 justified due to the fact that the proposed Project is expected to
20 generate a private capital investment of approximately \$65,000,000
21 and increase ad valorem taxes payable to the City and Duval County
22 School Board.

23 **Section 9. Effective Date.** This Ordinance shall become
24 effective upon signature by the Mayor or upon becoming effective
25 without the Mayor's signature.

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27 Form Approved:

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29 /s/ John Sawyer

30 Office of General Counsel

31 Legislation Prepared By: John Sawyer

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