

1 Introduced by the Council President at the request of the DIA and  
2 amended by the Finance Committee:

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5 **ORDINANCE 2025-815-E**

6 AN ORDINANCE AUTHORIZING THE MAYOR, OR HER  
7 DESIGNEE, TO EXECUTE: (1) A SECOND AMENDED AND  
8 RESTATED HOTEL REDEVELOPMENT AGREEMENT ("HOTEL  
9 REDEVELOPMENT AGREEMENT") AMONG THE CITY, DIA,  
10 AND SHIPYARDS TRUSTEE JACKSONVILLE, LLC,  
11 SUCCESSOR BY ASSIGNMENT TO SHIPYARDS HOTEL  
12 JACKSONVILLE, LLC F/K/A SHIPYARDS HOTEL, LLC  
13 ("DEVELOPER"), WHICH AMENDS AND RESTATES THE  
14 PREVIOUSLY AUTHORIZED AMENDED AND RESTATED  
15 REDEVELOPMENT AGREEMENT CONSISTENT WITH THE  
16 IMPROVEMENTS PREVIOUSLY AUTHORIZED BY ORDINANCE  
17 2022-871-E TO, IN PART, RECOGNIZE INCREASED  
18 MINIMUM REQUIRED CAPITAL INVESTMENT FOR THE  
19 HOTEL IMPROVEMENTS, AND INCREASE THE MAXIMUM  
20 AMOUNT OF THE PREVIOUSLY AUTHORIZED REV GRANT BY  
21 AN ADDITIONAL \$6,000,000; (2) A REVISED MARINA  
22 SUPPORT BUILDING LEASE TO RECOGNIZE CERTAIN  
23 RIGHTS OF THE RESTAURANT OPERATOR, TO INCREASE  
24 THE BASIC RENT TO THE CITY FROM \$100 ANNUALLY TO  
25 \$15,000 PER YEAR, TO BE OFFSET AGAINST  
26 MAINTENANCE OBLIGATIONS FOR THE EVENT LAWN TO BE  
27 UNDERTAKEN BY DEVELOPER; (3) A REVISED MARINA  
28 MANAGEMENT AGREEMENT TO REVISE THE TERM AND SLIP  
29 RENTAL PROVISIONS, REVISE LANGUAGE REGARDING  
30 RESPECTIVE MAINTENANCE OBLIGATIONS, AND CERTAIN  
31 OTHER CHANGES A SET FORTH THEREIN; (4) AN

1 AMENDED AND RESTATED RIVERWALK IMPROVEMENTS  
2 COSTS DISBURSEMENT AGREEMENT, WHICH AMENDS AND  
3 RESTATES THE PREVIOUSLY EXECUTED COSTS  
4 DISBURSEMENT AGREEMENT TO AUTHORIZE ACCEPTANCE  
5 AND OPENING OF THE RIVERWALK IMPROVEMENTS TO  
6 COINCIDE WITH THE OPENING OF THE MARINA, WITH  
7 CERTAIN LANDSCAPING IMPROVEMENTS TO BE COMPLETED  
8 THEREAFTER; (5) AN AMENDMENT ONE TO THE MARINA,  
9 BULKHEAD AND PIER IMPROVEMENTS COSTS  
10 DISBURSEMENT AGREEMENT TO ALIGN COMPLETION  
11 DATES; (6) AN AMENDMENT ONE TO MARINA SUPPORT  
12 BUILDING COSTS DISBURSEMENT AGREEMENT TO ALIGN  
13 COMPLETION DATES; (7) A CONSENT AND  
14 REAFFIRMATION OF GUARANTY; (8) A SECOND  
15 AMENDMENT TO THE TOWER CRANE LICENSE AGREEMENT  
16 TO ALIGN COMPLETION DATES; (9) A DRAINAGE  
17 EASEMENT BETWEEN THE CITY AND THE DEVELOPER; AND  
18 (10) A DRAINAGE EASEMENT BETWEEN THE CITY AND  
19 SHIPYARDS OFFICE, LLC, ALL ON THE NORTHBANK OF  
20 THE ST. JOHNS RIVER WITHIN THE DOWNTOWN EAST  
21 NORTHBANK DOWNTOWN COMMUNITY REDEVELOPMENT AREA  
22 ("PROJECT"); AUTHORIZING A REVISED, SEVENTY-  
23 FIVE PERCENT, TWENTY YEAR RECAPTURED ENHANCED  
24 VALUE (REV) GRANT IN THE MAXIMUM AMOUNT NOT TO  
25 EXCEED \$56,581,200 IN CONNECTION WITH THE  
26 CONSTRUCTION OF THE HOTEL IMPROVEMENTS, WHICH  
27 INCREASES THE MAXIMUM AMOUNT THEREOF BY  
28 \$6,000,000; DESIGNATION OF AUTHORIZED OFFICIAL  
29 AND THE DOWNTOWN INVESTMENT AUTHORITY AS  
30 CONTRACT MONITOR; PROVIDING FOR CITY OVERSIGHT  
31 OF THE PROJECT BY THE DEPARTMENT OF PUBLIC WORKS

1 AND THE DEPARTMENT OF PARKS, RECREATION AND  
2 COMMUNITY SERVICES; AUTHORIZING THE EXECUTION OF  
3 ALL DOCUMENTS RELATING TO THE ABOVE AGREEMENTS  
4 AND TRANSACTIONS, AND AUTHORIZING TECHNICAL  
5 CHANGES TO THE DOCUMENTS; WAIVER OF THAT PORTION  
6 OF THE PUBLIC INVESTMENT POLICY ADOPTED BY  
7 ORDINANCE 2024-286-E, AS AMENDED, TO AUTHORIZE  
8 THE INCREASE IN THE REV GRANT FOR THE HOTEL  
9 IMPROVEMENTS, WHICH IS NOT AUTHORIZED BY THE  
10 PUBLIC INVESTMENT POLICY; PROVIDING AN EFFECTIVE  
11 DATE.  
12

13 **WHEREAS**, the City of Jacksonville ("City"), Downtown Investment  
14 Authority ("DIA") and Shipyards Hotel, LLC (the "Developer") have  
15 previously entered into that certain Amended and Restated  
16 Redevelopment Agreement dated March 30, 2023 (the "Development  
17 Agreement"), as authorized by 2022-871-E, for the development of a  
18 luxury Four Seasons hotel with approximately 176 rooms (but no fewer  
19 than 170 rooms), approximately 25 Class A condominium units (with no  
20 fewer than 23 Class A condominium units (the "Hotel Improvements"),  
21 and other related improvements; and

22 **WHEREAS**, consistent with the terms of the Agreement, City, DIA  
23 and Shipyards Hotel Jacksonville, LLC (f/k/a Shipyards Hotel, LLC)  
24 entered into that certain Riverwalk Improvements Costs Disbursement  
25 Agreement dated March 31, 2023, governing the funding and construction  
26 of the Riverwalk Improvements as previously authorized; and

27 **WHEREAS**, due to certain increased construction costs, the  
28 Developer is seeking to: (1) amend and restate the Hotel Redevelopment  
29 Agreement ("Hotel Redevelopment Agreement") to increase the maximum  
30 amount of the previously authorized Hotel REV Grant from \$50,581,200  
31 to \$56,581,200, to amend the performance schedule, to increase the

1 minimum required capital investment amount, and clarify FIND grant  
2 repayment obligations of Developer; (2) authorize a revised Marina  
3 Support Building Lease to recognize certain rights of the Restaurant  
4 Operator, clarify obligations as to maintenance of the building,  
5 provide for coordination regarding use of the Events Lawn, provide  
6 for an increase in Basic Rent from \$100 annually to \$15,000 annually,  
7 and allowing for offsets to the Basic Rent based on costs incurred  
8 by the Developer to maintain the Events Lawn on behalf of the City;  
9 (3) authorize an Amended and Restated Riverwalk Improvements Costs  
10 Disbursement Agreement to authorize the acceptance by the City and  
11 opening of the riverwalk improvements so the same may be utilized  
12 when the marina improvements are completed, with certain landscaping  
13 obligations related thereto remaining the obligation of the  
14 developer; (4) amend the Marina Support Building and Marina  
15 Improvements, Bulkhead Improvements and Pier Improvements Costs  
16 Disbursement Agreements to align the completion dates of such  
17 improvements with the Hotel Development Agreement; (5) authorize a  
18 Second Amendment to the Tower Crane License Agreement to align with  
19 the foregoing completion dates; (6) consent and reaffirmation of  
20 guarantee; and (7) drainage easements in favor of Shipyards Office,  
21 LLC (the "Office Developer") and Developer, (8) authorize a revised  
22 Marina Management Agreement to revise the term and slip rental  
23 provisions, and (9) amendments to and to make certain other revisions  
24 as set forth in the documents placed **Second Revised On File** with the  
25 Legislative Services Division; and

26       **WHEREAS**, the DIA has considered the Developer's requests and has  
27 determined that the increase to the Hotel REV Grant and other  
28 revisions to the agreements authorized hereby will enable the  
29 Developer to construct the Project as described in the Hotel  
30 Redevelopment Agreement; and

1       **WHEREAS**, the Project is consistent with the DIA BID Plan, and  
2 furthers Redevelopment Goal 1, reinforce Downtown as the City's unique  
3 epicenter for business, history, culture, education and  
4 entertainment, Redevelopment Goal 4, improve walkability/bikeability  
5 and connectivity to adjacent neighborhoods and the St. John River  
6 while creating highly walkable nodes; and Redevelopment Goal 5,  
7 establish a waterfront design framework to ensure a unique experience  
8 and sense of place; and

9       **WHEREAS**, on August 20, 2025, the DIA Board approved a resolution  
10 (the "Resolution") to enter into the Hotel Redevelopment Agreement  
11 and related documents, said Resolution being attached hereto as  
12 **Exhibit 1**; and

13       **WHEREAS**, it has been determined to be in the interest of the  
14 City to enter into the Hotel Redevelopment Agreement and approve of  
15 and adopt the matters set forth in this Ordinance; now, therefore

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

17       **Section 1.       Execution of Agreements.** The Mayor (or her  
18 authorized designee) and the Corporation Secretary are hereby  
19 authorized to execute and deliver the Hotel Redevelopment Agreement,  
20 Marina Support Building Lease, Marina Management Agreement, Amended  
21 and Restated Riverwalk Improvements Costs Disbursement Agreement, an  
22 Amendment One to the Marina Support Building Costs Disbursement  
23 Agreement, an Amendment One to the Marina Improvements, Bulkhead  
24 Improvements and Pier Improvements Costs Disbursement Agreement, a  
25 Second Amendment to the Tower Crane License Agreement, a consent and  
26 reaffirmation of guaranty, easement agreements in favor of the  
27 Developer and Office Developer, and related documents described in  
28 the Hotel Redevelopment Agreement (collectively, the "Agreements")  
29 substantially in the forms placed **Second Revised On File** with the  
30 Legislative Services Division (with such "technical" changes as  
31 herein authorized), for the purpose of implementing the

1 recommendations of the DIA as further described in the Agreements.

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

19 **Section 2. Payment of Hotel REV Grant.**

20 (a) The REV Grant in the amount not to exceed \$56,581,200, the  
21 terms of which are more specifically described in the Hotel  
22 Redevelopment Agreement, shall not be deemed to constitute a debt,  
23 liability, or obligation of the City or of the State of Florida or  
24 any political subdivision thereof within the meaning of any  
25 constitutional or statutory limitation, or a pledge of the faith and  
26 credit or taxing power of the City or of the State of Florida or any  
27 political subdivision thereof, but shall be payable solely from the  
28 funds provided therefor as provided in this Section. The Hotel  
29 Redevelopment Agreement shall contain a statement to the effect that  
30 the City shall not be obligated to pay any installment of its  
31 financial assistance to the Developer except from the non-ad valorem

1 revenues or other legally available funds provided for that purpose,  
2 that neither the faith and credit nor the taxing power of the City  
3 or of the State of Florida or any political subdivision thereof is  
4 pledged to the payment of any portion of such financial assistance,  
5 and that the Developer, or any person, firm or entity claiming by,  
6 through or under the Developer, or any other person whomsoever, shall  
7 never have any right, directly or indirectly, to compel the exercise  
8 of the ad valorem taxing power of the City or of the State of Florida  
9 or any political subdivision thereof for the payment of any portion  
10 of such financial assistance.

11 (b) The DIA is hereby authorized to and shall disburse the annual  
12 installments of the REV Grant to the Developer as provided in this  
13 Section in accordance with this Ordinance and the Hotel Redevelopment  
14 Agreement.

15 **Section 3. Designation of Authorized Official and Downtown**  
16 **Investment Authority as Contract Monitor.** The Mayor is designated  
17 as the authorized official of the City for the purpose of executing  
18 and delivering any contracts and documents and furnishing such  
19 information, data and documents for the Agreements and related  
20 documents as may be required and otherwise to act as the authorized  
21 official of the City in connection with the Agreements, and is further  
22 authorized to designate one or more other officials of the City to  
23 exercise any of the foregoing authorizations and to furnish or cause  
24 to be furnished such information and take or cause to be taken such  
25 action as may be necessary to enable the City to implement the  
26 Agreements according to their terms. The Downtown Investment  
27 Authority is hereby required to administer and monitor the Hotel  
28 Redevelopment Agreement and related agreements referenced therein and  
29 to handle the City's responsibilities thereunder, including the  
30 City's responsibilities under such agreements working with and  
31 supported by all relevant City departments.

1           **Section 4.       Oversight Department.**   The Department of Public  
2 Works and the Parks, Recreation and Community Services Department  
3 shall oversee the project described herein.

4           **Section 5.       Further Authorizations.**   The Mayor, or her  
5 designee, and the Corporation Secretary, are hereby authorized to  
6 execute the Agreements and all other contracts and documents and  
7 otherwise take all necessary action in connection therewith and  
8 herewith. The Chief Executive Officer of the DIA, as contract  
9 administrator, is authorized to negotiate and execute all necessary  
10 changes and amendments to the Agreements and other contracts and  
11 documents, to effectuate the purposes of this Ordinance, without  
12 further Council action, provided such changes and amendments are  
13 limited to amendments that are technical in nature (as described in  
14 Section 4 hereof), and further provided that all such amendments  
15 shall be subject to appropriate legal review and approval by the  
16 General Counsel, or his or her designee, and all other appropriate  
17 official action required by law.

18          **Section 6.       Waiver of Public Investment Policy.**   The  
19 requirements of the Public Investment Policy adopted by City Council  
20 Ordinance 2024-286-E, as amended, are waived to increase the existing  
21 Hotel REV Grant that is not authorized pursuant to the Public  
22 Investment Policy. The waiver is justified because the Project will  
23 cause a minimum required private capital investment in the project  
24 of \$373,962,000 and result in increased ad valorem revenues to the  
25 City.

26          **Section 7.       Effective Date.**   This Ordinance shall become  
27 effective upon signature by the Mayor or upon becoming effective  
28 without the Mayor's signature.



Form Approved:

/s/ Mary E. Staffopoulos

Office of General Counsel

Legislation Prepared By: John Sawyer

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