

1 Introduced by the Council President at the request of the DIA:  
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4 **ORDINANCE 2026-541**

5 AN ORDINANCE MAKING CERTAIN FINDINGS AND  
6 APPROVING AND AUTHORIZING THE CHIEF EXECUTIVE  
7 OFFICER OF THE DOWNTOWN INVESTMENT AUTHORITY, OR  
8 HER DESIGNEE, TO EXECUTE A REDEVELOPMENT  
9 AGREEMENT ("AGREEMENT") AMONG THE CITY OF  
10 JACKSONVILLE, THE DOWNTOWN INVESTMENT AUTHORITY  
11 ("DIA") AND 119 BEAVER ST W, LLC ("DEVELOPER")  
12 TO SUPPORT THE CONSTRUCTION OF A MIXED USE  
13 RESIDENTIAL AND RETAIL DEVELOPMENT, INCLUDING  
14 APPROXIMATELY 259 RESIDENTIAL UNITS, AND  
15 APPROXIMATELY 37,000 SQUARE FEET OF GROUND FLOOR  
16 LEASABLE RETAIL SPACE, INCLUDING NO LESS THAN  
17 30,000 SQUARE FEET TO BE DESIGNATED FOR USE BY  
18 PUBLIX GROCERY STORE OR OTHER SIMILARLY WELL-  
19 KNOWN REGIONAL OR NATIONAL GROCER AS APPROVED BY  
20 THE DIA (THE "PROJECT"); AUTHORIZING A SEVENTY-  
21 FIVE PERCENT, SEVENTEEN-YEAR RECAPTURED  
22 ENHANCED VALUE (REV) GRANT IN THE MAXIMUM AMOUNT  
23 NOT TO EXCEED \$21,412,000 IN CONNECTION WITH THE  
24 PROJECT ("REV GRANT"), PAYABLE THROUGH THE  
25 DOWNTOWN NORTHBANK COMMUNITY REDEVELOPMENT AREA  
26 TRUST FUND; APPROVING AND AUTHORIZING A  
27 \$28,250,000 COMPLETION GRANT TO THE DEVELOPER  
28 PAYABLE BY THE CITY IN TWO INSTALLMENTS UPON  
29 COMPLETION OF THE PROJECT ("COMPLETION GRANT"),  
30 TO BE APPROPRIATED BY SUBSEQUENT LEGISLATION;  
31 DESIGNATING THE DIA AS CONTRACT MONITOR FOR THE

1           AGREEMENTS; PROVIDING FOR OVERSIGHT OF THE  
2           PROJECT BY THE DIA; AUTHORIZING THE EXECUTION OF  
3           ALL DOCUMENTS RELATING TO THE ABOVE AGREEMENT  
4           AND TRANSACTIONS, AND AUTHORIZING TECHNICAL  
5           CHANGES TO THE DOCUMENTS; PROVIDING AN EFFECTIVE  
6           DATE.

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8           **WHEREAS**, Gateway Companies, LLC, serves as the development  
9 manager and operator of 119 Beaver St W, LLC (the "Developer"), which  
10 has acquired property located within the Downtown Northbank Community  
11 Redevelopment Area with RE #074033-0000 on which Developer has been  
12 engaged to design, construct, and operate a multi-family and retail  
13 mixed-use as further detailed in the Agreement, with a minimum capital  
14 investment of \$140,156,500.00 (the "Project"); and

15           **WHEREAS**, the Developer is seeking: (1) a seventy-five percent,  
16 seventeen-year REV Grant payable by the DIA in the amount of  
17 \$21,412,000 (the "REV Grant"); and (2) an \$28,250,000 completion  
18 grant (the "Completion Grant") payable in two installments after  
19 substantial completion of the Improvements and the opening of the  
20 Grocery Store for service to the general public, all in support of  
21 the Project; and

22           **WHEREAS**, the DIA has considered the Developer's requests and has  
23 determined that the REV Grant and the Completion Grant authorized  
24 hereby will enable the Developer to construct the Project as described  
25 in the Agreement; and

26           **WHEREAS**, the Developer's funding request was analyzed in  
27 accordance with the Modified Underwriting Standards for ROI  
28 Calculation for High-Rise Residential and Hotel Mixed-Use Properties  
29 adopted by the DIA pursuant to Resolution 2024-05-04 and was found  
30 to comply with the requirements found therein; and

31           **WHEREAS**, as an inducement to the City and the DIA to award the

1 Completion Grant, and to further the goals of the City and DIA as set  
2 forth in the Business Investment and Development Plan adopted pursuant  
3 to Ordinance 2022-0372-E (the "DIA BID Plan"), Developer has agreed  
4 to provide a Public Benefit Payment to the City whereby the City will  
5 receive a portion of the Project's pre-tax levered net cash flow that  
6 exceeds a twenty percent internal rate of return on Developer's  
7 equity, as set forth in the Agreement; and

8 **WHEREAS**, the Project is consistent with the DIA BID Plan, and  
9 furthers multiple goals and strategic objectives of the BID Plan,  
10 particularly as they relate to Redevelopment Goal No. 2 (an increase  
11 in rental and owner-occupied housing Downtown) and Redevelopment Goal  
12 No. 3 (an increase and diversification of the number and type of  
13 retail, food and beverage, and entertainment establishments within  
14 Downtown, specifically including the addition of a major new grocer  
15 within Downtown); and

16 **WHEREAS**, the DIA has approved its Resolution 2025-12-02 (the  
17 "Resolution") to enter into the Agreement, said Resolution being  
18 attached hereto as **Exhibit 1**; and

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

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

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

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

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

28 (c) The City's assistance for the Project will enable and  
29 facilitate the Project, the Project will enhance and increase the  
30 City's tax base and revenues, and the Project will improve the quality  
31 of life necessary to encourage and attract business expansion in the

1 City.

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

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

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

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

14 **Section 2. Redevelopment Agreement and Related Agreements**  
15 **Approved and Execution Authorized.** There is hereby approved, and the  
16 Mayor, or her designee, and the Corporation Secretary, and the Chief  
17 Executive Officer of the DIA, or his designee, as applicable, are  
18 hereby authorized to execute and deliver the Redevelopment Agreement  
19 substantially in the form placed **On File** with the Office of Legislative  
20 Services (with such "technical" changes as herein authorized) (the  
21 "Agreement"), for the purpose of implementing the recommendations of  
22 the DIA as further described in the Agreement.

23 The Agreement may include such additions, deletions and changes  
24 as may be reasonable, necessary, and incidental for carrying out the  
25 purposes thereof, as may be acceptable to the Chief Executive Officer  
26 of the DIA, or his designee, with such inclusion and acceptance being  
27 evidenced by execution of the Agreement by the Chief Executive Officer  
28 of the DIA, or his designee. No modification to the Agreement may  
29 increase the financial obligations or the liability of the City or  
30 DIA and any such modification shall be technical only and shall be  
31 subject to appropriate legal review and approval of the General

1 Counsel, or his or her designee, and all other appropriate action  
2 required by law. "Technical" is herein defined as including, but not  
3 limited to, changes in legal descriptions and surveys, descriptions  
4 of infrastructure improvements and/or any road project, ingress and  
5 egress, easements and rights of way, performance schedule extensions  
6 of up to twelve (12) months in the discretion of the CEO of the DIA  
7 and the DIA Board as provided in the Agreement, design standards,  
8 access and site plan, which have no financial impact.

9 **Section 3. Payment of the Recapture Enhanced Value (REV)**  
10 **Grant.**

11 (a) The REV Grant in the maximum amount not to exceed  
12 \$21,412,000, the terms of which are more specifically described in  
13 the Agreement, shall not be deemed to constitute a debt, liability,  
14 or obligation of the City or of the State of Florida or any political  
15 subdivision thereof within the meaning of any constitutional or  
16 statutory limitation, or a pledge of the faith and credit or taxing  
17 power of the City or of the State of Florida or any constitutional  
18 or any political subdivision thereof but shall be payable solely from  
19 the funds provided therefor as provided in this Section. The Agreement  
20 shall contain a statement of the effect that the City shall not be  
21 obligated to pay any installment of its financial assistance to the  
22 Developer except from the non-ad valorem revenues or other legally  
23 available funds provided for that purpose, that neither the faith and  
24 credit nor the taxing power of the City or of the State of Florida  
25 or any political subdivision thereof is pledged to the payment of any  
26 portion of such financial assistance, and that the Developer, or any  
27 person, firm or entity claiming by, through or under the Developer,  
28 or any other person whomsoever, shall never have any right, directly  
29 or indirectly, to compel the exercise of the ad valorem taxing power  
30 of the City or of the State of Florida or any political subdivision  
31 thereof for the payment of any portion of such financial assistance.

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

4 **Section 4. Payment of Completion Grant to Developer.** The  
5 Completion Grant is hereby authorized, and, subject to subsequent  
6 appropriation by Council, the City is authorized to disburse the  
7 Completion Grant to the Developer in an amount not to exceed  
8 \$28,250,000, pursuant to and as set forth in the Agreement.

9 **Section 5. Designation of Authorized Official and DIA as**  
10 **Contract Monitor.** The Chief Executive Officer of the DIA is  
11 designated as the authorized official of the City for the purpose of  
12 executing and delivering the Agreement and is further designated as  
13 the authorized official of the City for the purpose of executing any  
14 additional contracts and documents and furnishing such information,  
15 data and documents for the Agreement and related documents as may be  
16 required and otherwise to act as the authorized official of the City  
17 in connection with the Agreement, and take or cause to be taken such  
18 action as may be necessary to enable the City to implement the  
19 Agreement according to its terms. The DIA is hereby further required  
20 to administer and monitor the Agreement and to handle the City's  
21 responsibilities thereunder, including the City's responsibilities  
22 under such Agreement working with and supported by all relevant City  
23 departments.

24 **Section 6. Oversight Department.** The Downtown Investment  
25 Authority shall oversee the Project described herein.

26 **Section 7. Further Authorizations.** The Chief Executive  
27 Officer of the DIA, or his designee, is hereby authorized to execute  
28 the Agreement and otherwise take all necessary action in connection  
29 therewith and herewith. The Chief Executive Officer of the DIA is  
30 further authorized to negotiate and execute all necessary changes and  
31 amendments to the Agreement and any other contracts and documents to

1 effectuate the purposes of this Ordinance, without further Council  
2 action, provided such changes and amendments to the Agreement are  
3 limited to amendments that are technical in nature (as described in  
4 Section 2 hereof), and further provided that all such amendments  
5 shall be subject to appropriate legal review and approval by the  
6 General Counsel, or his or her designee, and take all other  
7 appropriate official action required by law.

8           **Section 8. Execution of the Agreement.** If the Agreement  
9 approved by this Ordinance has not been executed by the Developer  
10 within thirty (30) days after effective date of this Ordinance, then  
11 the City Council approval of and authorization for the Chief Executive  
12 Officer of the DIA to execute the Agreement are automatically revoked,  
13 provided however, that the Chief Executive Officer of the DIA shall  
14 have the authority to extend such thirty (30) day period in writing  
15 at his or her discretion for up to an additional thirty (30) days.

16           **Section 9. Effective Date.** This Ordinance shall become  
17 effective upon signature by the Mayor or upon becoming effective  
18 without the Mayor's signature.

19  
20 Form Approved:

21  
22 /S/ Rebecca Lavie

23 Office of General Counsel

24 Legislation Prepared By: Rebecca Lavie

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