

1 Introduced by the Council President at the request of the Mayor and  
2 amended by the Neighborhoods, Community Services, Public Health &  
3 Safety Committee:  
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6 **ORDINANCE 2020-187-E**

7 AN ORDINANCE MAKING CERTAIN FINDINGS, AND  
8 AUTHORIZING THE MAYOR, OR HIS DESIGNEE, TO  
9 EXECUTE: (1) A REDEVELOPMENT AGREEMENT  
10 ("AGREEMENT") BETWEEN THE CITY OF JACKSONVILLE  
11 ("CITY") AND SPRINGFIELD LOFTS, LLC  
12 ("DEVELOPER"); AND (2) LOAN DOCUMENTS AND  
13 RELATED DOCUMENTS AS DESCRIBED IN THE  
14 AGREEMENT, TO SUPPORT THE REDEVELOPMENT BY  
15 DEVELOPER AN APPROXIMATELY 2.12 ACRE SITE  
16 LOCATED AT 1341 PEARL STREET, 235 WEST 3<sup>RD</sup>  
17 STREET AND 205 WEST 3<sup>RD</sup> STREET, IN THE CITY OF  
18 JACKSONVILLE ("PROJECT"); AUTHORIZING A  
19 REDEVELOPMENT COMPLETION GRANT IN THE AMOUNT  
20 OF \$1,000,000 TO THE DEVELOPER UPON  
21 SUBSTANTIAL COMPLETION OF THE PROJECT, TO BE  
22 APPROPRIATED BY SUBSEQUENT LEGISLATION;  
23 AUTHORIZING A RECAPTURE ENHANCED VALUE (REV)  
24 GRANT IN THE AMOUNT OF \$1,000,000 FOR A  
25 DURATION NOT TO EXCEED 10 YEARS; AUTHORIZING A  
26 DEVELOPMENT LOAN IN THE AMOUNT OF \$1,000,000  
27 WITH A TERM OF TWENTY YEARS IN CONNECTION WITH  
28 THE PROJECT, TO BE APPROPRIATED BY SUBSEQUENT  
29 LEGISLATION; DESIGNATING THE OED AS CONTRACT  
30 MONITOR FOR THE AGREEMENT AND RELATED

1           AGREEMENTS; PROVIDING FOR CITY OVERSIGHT OF  
2           THE PROJECT BY THE DEPARTMENT OF PUBLIC WORKS  
3           AND THE OED; AUTHORIZING THE EXECUTION OF ALL  
4           DOCUMENTS RELATING TO THE ABOVE AGREEMENTS AND  
5           TRANSACTIONS,        AND        AUTHORIZING        TECHNICAL  
6           CHANGES TO THE DOCUMENTS; PROVIDING A DEADLINE  
7           FOR THE DEVELOPER TO EXECUTE THE AGREEMENTS  
8           AFTER THEY ARE DELIVERED TO THE DEVELOPER;  
9           WAIVER OF THAT PORTION OF THE PUBLIC  
10          INVESTMENT POLICY ADOPTED BY ORDINANCE 2016-  
11          382-E, AS AMENDED, WHICH LIMITS REV GRANTS TO  
12          NO MORE THAN 50% OF THE TAX INCREMENT FOR UP  
13          TO TEN YEARS, AND THAT REQUIRES THE COMPANY TO  
14          CREATE AT LEAST 10 NEW FULL-TIME JOBS, AND TO  
15          AUTHORIZE A REDEVELOPMENT COMPLETION GRANT AND  
16          A DEVELOPMENT LOAN THAT ARE NOT CURRENTLY  
17          AUTHORIZED BY THE PUBLIC INVESTMENT POLICY;  
18          PROVIDING AN EFFECTIVE DATE.

19  
20           **WHEREAS**, Springfield Lofts, LLC (the "Developer") owns certain  
21          real property located at 1341 Pearl Street, 235 West 3<sup>rd</sup> Street and  
22          205 West 3<sup>rd</sup> Street within the City, which the Developer intends to  
23          redevelop into approximately 78 residential units and 8,000 square  
24          feet of commercial/office at an estimated cost of \$14,000,000 (the  
25          "Project"), as further detailed in the Redevelopment Agreement  
26          ("Agreement") placed **Revised On File** with the Legislative Services  
27          Division; and

28           **WHEREAS**, the Developer is seeking: (1) a Redevelopment  
29          Completion Grant in the amount of \$1,000,000 payable upon  
30          substantial completion of the Project; (2) a 10 year, 75% REV Grant

1 in the maximum amount of \$1,000,000; and (3) a Development Loan in  
2 the amount of \$1,000,000 payable upon substantial completion of the  
3 Project, with a 3% interest rate and 20 year term; and

4 **WHEREAS**, the Office of Economic Development ("OED") has  
5 considered the Developer's requests and has determined that the  
6 Redevelopment Completion Grant, REV Grant and Development Loan will  
7 enable the Developer to redevelop the property and complete the  
8 Project as further described in the Agreement; and

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

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

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

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

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

18 (c) The City's assistance for the Project will enable and  
19 facilitate the Project, the Project will enhance and increase the  
20 City's tax base and revenues, and the Project will improve the  
21 quality of life necessary to encourage and attract business  
22 expansion in the City.

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

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

26 (f) The authorizations provided by this Ordinance are for  
27 public uses and purposes for which the City may use its powers as a  
28 municipality and as a political subdivision of the State of Florida  
29 and may expend public funds, and the necessity in the public  
30 interest for the provisions herein enacted is hereby declared as a

1 matter of legislative determination.

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

5 **Section 2. Redevelopment Agreement and Loan Documents**

6 **Approved.** The Mayor (or his authorized designee) and the  
7 Corporation Secretary are hereby authorized to execute and deliver  
8 the Agreement and the loan documents and related documents  
9 referenced therein (collectively, the "Agreements") substantially  
10 in the form **Revised On File** with the Legislative Services Division  
11 (with such "technical" changes as herein authorized), for the  
12 purpose of implementing the recommendations of the OED as further  
13 described in the Agreement.

14 The Agreements may include such additions, deletions and  
15 changes as may be reasonable, necessary and incidental for carrying  
16 out the purposes thereof, as may be acceptable to the Mayor, or his  
17 designee, with such inclusion and acceptance being evidenced by  
18 execution of the Agreements by the Mayor or his designee. No  
19 modification to the Agreements may increase the financial  
20 obligations or the liability of the City or OED and any such  
21 modification shall be technical only and shall be subject to  
22 appropriate legal review and approval of the General Counsel, or his  
23 or her designee, and all other appropriate action required by law.  
24 "Technical" is herein defined as including, but not limited to,  
25 changes in legal descriptions and surveys, descriptions of  
26 infrastructure improvements and/or any road project, ingress and  
27 egress, easements and rights of way, performance schedules (provided  
28 that no performance schedule may be extended for more than six  
29 months without Council approval) design standards, access and site  
30 plan, which have no financial impact.

31 **Section 3. Payment of Redevelopment Completion Grant to**

1 **Developer.** The Redevelopment Completion Grant is hereby authorized,  
2 and, subject to subsequent appropriation by Council, the City is  
3 authorized to disburse the Redevelopment Completion Grant to the  
4 Developer in an amount not to exceed \$1,000,000, pursuant to and as  
5 set forth in the Agreement.

6 **Section 4. Payment of REV Grant.**

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

27 (b) The Mayor, or his designee, is hereby authorized to and  
28 shall disburse the annual installments of the REV Grant as provided  
29 in this Section in accordance with this Ordinance and the Agreement.

30 **Section 5. Authorizing a Development Loan to Developer.**

31 Subject to subsequent appropriation by Council, a \$1,000,000

1 Development Loan is hereby authorized pursuant to and in accordance  
2 with the terms and conditions of the Agreement.

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

19       **Section 7. Oversight Department.** The Department of Public  
20 Works and the OED shall oversee the Project described herein.

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

13       **Section 10. Waiver of Public Investment Policy.** The  
14 requirements of the Public Investment Policy adopted by City  
15 Council Ordinance 2016-382-E, as amended, that restrict REV Grant  
16 to no more than 50% of the tax increment over a 10 year period and  
17 require 10 new jobs be created are hereby waived to authorize a 10-  
18 year, 75% REV Grant. The Public Investment Policy is also waived  
19 to authorize a Redevelopment Completion Grant and Development Loan  
20 that are not currently authorized under the Public Investment  
21 Policy. The waiver is justified due to the fact that the proposed  
22 Project is expected to generate a private capital investment of  
23 approximately \$14,000,000 and increase ad valorem taxes payable to  
24 the City and Duval County School Board.

25       **Section 11. Effective Date.** This Ordinance shall become  
26 effective upon signature by the Mayor or upon becoming effective  
27 without the Mayor's signature.

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29 Form Approved:

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31 /s/ Margaret M. Sidman

1 Office of General Counsel

2 Legislation Prepared By: John Sawyer

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