

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 2019-401-E**

6 AN ORDINANCE APPROVING AND AUTHORIZING THE  
7 MAYOR OR HIS DESIGNEE AND CORPORATION  
8 SECRETARY TO EXECUTE AND DELIVER: (1) A  
9 PURCHASE AND SALE AGREEMENT ("AGREEMENT")  
10 BETWEEN THE CITY OF JACKSONVILLE AND RYAN  
11 COMPANIES US, INC. ("DEVELOPER") AND ALL  
12 DEEDS, LICENSE AGREEMENTS AND CLOSING  
13 DOCUMENTS RELATING THERETO, AND OTHERWISE TAKE  
14 ALL NECESSARY ACTION TO EFFECTUATE THE  
15 PURPOSES OF THE AGREEMENT, FOR THE CONVEYANCE  
16 TO DEVELOPER OF REAL PROPERTY LOCATED IN  
17 COUNCIL DISTRICT 7 IN THE CENTRAL CIVIC CORE,  
18 COMPRISED OF AN APPROXIMATELY 1.52 ACRE PARCEL  
19 OF UNIMPROVED REAL PROPERTY LOCATED AT 337 W.  
20 ADAMS STREET, JACKSONVILLE, FLORIDA (THE  
21 "PROPERTY"), TO REDEVELOP INTO AN  
22 APPROXIMATELY 207,810 SQUARE FOOT OFFICE  
23 BUILDING AND STRUCTURED PARKING FACILITY TO  
24 SERVE AS THE NEW JEA HEADQUARTERS; AND (2) TO  
25 AUTHORIZE THE PLACEMENT OF A DECLARATION OF  
26 RESTRICTIVE COVENANT BETWEEN THE CITY OF  
27 JACKSONVILLE AND THE FLORIDA DEPARTMENT OF  
28 ENVIRONMENTAL PROTECTION (FDEP), AND ANY OTHER  
29 DOCUMENTS NECESSARY TO EFFECUTATE THE PURPOSES  
30 OF THE RESTRICTIVE COVENANT, FOR THE RIGHT-OF-

1 WAY ADJACENT TO THE PROPERTY, SO AS TO PLACE  
2 ENVIRONMENTAL RESTRICTIONS ON THE SITE;  
3 PROVIDING FOR OVERSIGHT BY THE DOWNTOWN  
4 INVESTMENT AUTHORITY; PROVIDING AN EFFECTIVE  
5 DATE.

6  
7 **WHEREAS**, the City of Jacksonville ("City") is the owner of an  
8 approximately 1.52 acre of unimproved real property located at 337  
9 W. Adams Street, R.E. # 073794-0100 in the Central Civic Core  
10 adjacent to the Duval County Courthouse site (the "Property"),  
11 which is located in the Northbank Downtown Community Redevelopment  
12 Area; and

13 **WHEREAS**, the Property will be conveyed exclusive of all fee  
14 interest in all rights-of-way and previously abandoned rights-of-  
15 way abutting the parcel to be conveyed, and with 60 days of the  
16 Effective Date of the purchase and sale agreement, the City intends  
17 to file legislation with Council to accept and dedicate as right-  
18 of-way those portions of Pearl and Monroe Streets abutting the  
19 Property previously abandoned but not currently closed by the City;  
20 and

21 **WHEREAS**, Developer submitted its unsolicited proposal to the  
22 Downtown Investment Authority ("DIA") on or about April 9, 2019;  
23 and

24 **WHEREAS**, the DIA issued its Notice of Disposition for a City-  
25 owned property ("Notice") providing notice to other interested  
26 developers who may be interested in purchasing and developing the  
27 Property; and

28 **WHEREAS**, Developer proposes to purchase the Property for  
29 \$2,600,000; and

30 **WHEREAS**, Developer intends to purchase and redevelop the  
31 Property to include approximately 207,810 square feet of office

1 space and a structured parking facility to support the office  
2 building (the "Project"); and

3 **WHEREAS**, in the event the Developer fails to: (i) enter into a  
4 binding lease agreement with the JEA for the lease of the office  
5 building on the Property by December 31, 2020; or (ii) fails to  
6 commence construction of the Project by December 31, 2020, then the  
7 City has the option to repurchase the Property in accordance with  
8 the repurchase option in the Agreement; and

9 **WHEREAS**, at the request of the Florida Department of  
10 Environmental Protection ("FDEP"), the City performed a Site  
11 Assessment Report and subsequently a Supplemental Site Assessment  
12 Report ("SSAR") on the Property, which identified certain  
13 environmental contamination on the Property, and the City is  
14 currently performing quarterly groundwater monitoring on the  
15 Property related to a groundwater plume located thereon; and

16 **WHEREAS**, the groundwater plume on the Property extends into a  
17 portion of the City-owned right of way adjacent to the Property;  
18 and

19 **WHEREAS**, due to contamination that remains on the Property and  
20 on the adjacent City right-of-way, the FDEP has a closure process  
21 available that will require that the City enter into a Declaration  
22 of Restrictive Covenant ("Declaration") with FDEP on the affected  
23 portion of the City-owned right-of-way ("Site"), so as to place  
24 environmental restrictions thereon; and

25 **WHEREAS**, one of the potential final steps in completing the  
26 regulatory closure process for the Property and the Site will be  
27 the execution of the Declaration of Restrictive Covenant, which  
28 will then allow the City and Developer respectively to obtain the  
29 Site Rehabilitation Completion Order with Conditions from FDEP; and

30 **WHEREAS**, supporting the Project will redevelop a vacant  
31 property in the Central Civic Core neighborhood, eliminate blight

1 conditions in the area, and provide job opportunities to residents  
2 of the area; and

3 **WHEREAS**, a copy of the DIA Resolution authorizing the  
4 transaction is attached hereto as **Exhibit 1**; now, therefore

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

6 **Section 1. Approval and Authorization.** There is hereby  
7 approved and the Mayor, or his designee, and the Corporation  
8 Secretary, are hereby authorized to execute and deliver on behalf  
9 of the City: (1) the Purchase and Sale Agreement, deed and license  
10 agreement referenced therein between the City of Jacksonville and  
11 Developer, in substantially the form placed **Second Revised On File**  
12 with the Legislative Services Division (collectively, the  
13 "Agreements"), and all such other documents, necessary or  
14 appropriate to effectuate the purpose of this Ordinance (with such  
15 "technical" changes as herein authorized) and (2) authorize the  
16 placement of a Declaration of Restrictive Covenant and Engineering  
17 Control Maintenance Plan, in form and substance as agreed to by  
18 FDEP and the City engineer, and any other documents necessary to  
19 effectuate the purposes of the Declaration, so as to allow the City  
20 to place environmental restrictions on the Site.

21 The Agreements and related documents may include such  
22 additions, deletions and changes as may be reasonable, necessary  
23 and incidental for carrying out the purposes thereof, as may be  
24 acceptable to the Mayor, or his designee, with such inclusion and  
25 acceptance being evidenced by execution of the Agreement by the  
26 Mayor, or his designee; provided however, no modification to the  
27 Agreements may increase the financial obligations or liability of  
28 the City to an amount in excess of the amount stated in the  
29 Agreements or decrease the financial obligations or liability of  
30 the Developer, and any such modification shall be technical only  
31 and shall be subject to appropriate legal review and approval by

1 the Office of General Counsel. For purposes of this Ordinance, the  
2 term "technical changes" is defined as those changes having no  
3 financial impact to the City, including, but not limited to,  
4 changes in legal descriptions or surveys, ingress and egress,  
5 easements and rights of way, design standards, access and site  
6 plan, resolution of title defects, if any, and other non-  
7 substantive changes that do not substantively increase the duties  
8 and responsibilities of the City under the provisions of the  
9 Agreements.

10 **Section 2. Oversight.** The Downtown Investment  
11 Authority shall provide oversight and administration of the  
12 Agreements for the duration thereof.

13 **Section 3. Effective Date.** This Ordinance shall become  
14 effective upon signature by the Mayor or upon becoming effective  
15 without the Mayor's signature.

16  
17 Form Approved:

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19           /s/ Paige Hobbs Johnston          

20 Office of General Counsel

21 Legislation Prepared By: John Sawyer

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