

CITY COUNCIL RESEARCH DIVISION LEGISLATIVE SUMMARY



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Bill Type and Number: Ordinance 2023-833

Introducer/Sponsor(s): Council President at the request of the Mayor

Date of Introduction: November 28, 2023

Committee(s) of Reference: F

Date of Analysis: November 30, 2023

Type of Action: Authorization to execute economic development agreement amendment; authorization to Office of Economic Development to extend completion deadline; designation of oversight agency

Bill Summary: The bill authorizes execution of a third amendment to the economic development agreement between the City and Uptown Signature Development Inc. to extend the construction completion deadline for the company's mixed-use project on the Northside. It authorizes the Executive Director of the Office of Economic Development to administratively extend the deadline for an additional 6 months for good cause. The Office of Economic Development is designated as the City's oversight agency for the project.

Background Information: The City and Uptown Signature Development entered into an economic development agreement in 2017 for the company to produce a mixed-use commercial, office, medical and residential project at the northeast quadrant of Max Leggett Parkway and Owens Road in North Jacksonville. The legislation approved two incentives for the Company. The first was a REV Grant based on an estimated \$33.8M in private capital investment, the second was a Tax Increment District (TID) Grant in an amount not to exceed \$200,000 to partially fund infrastructure improvements for the Project.

The original agreement dated September 29, 2017 required the Company to commence construction by January 1, 2018 and to complete construction of the infrastructure improvements by December 31, 2019. Amendment One to the EDA was signed on March 19, 2020 to extend the completion date by twelve months, to December 31, 2020. Amendment Two, authorized via Ordinance 2020-734-E extended the completion date by three (3) years, from December 31, 2020 to December 31, 2023, to allow for the development of a new VA clinic. The VA Clinic was expected to be fully operational by the end of calendar year 2023. As a result of construction delays, the development is not anticipated to be complete and fully operational until the first quarter of calendar year 2024. In order to accommodate the completion of the new VA Clinic and related infrastructure improvements, the Company has requested a third amendment to the EDA to extend the completion date by an additional six (6) months, to June 30, 2024. The Amendment would also include an option to extend the completion deadline by six (6) additional months at the discretion of the Office of Economic Development. The REV Grant Final Year will change from 2030 to 2032.

Policy Impact Area: Economic development

Fiscal Impact: Delays the payout of the REV grant for two additional years

Analyst: Clements