

1 Introduced by the Council President at the request of the Mayor:  
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4 **ORDINANCE 2020-187**

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

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

16  
17 **WHEREAS**, Springfield Lofts, LLC (the "Developer") owns certain  
18 real property located at 1341 Pearl Street, 235 West 3<sup>rd</sup> Street and  
19 205 West 3<sup>rd</sup> Street within the City, which the Developer intends to  
20 redevelop into approximately 78 residential units and 8,000 square  
21 feet of commercial/office at an estimated cost of \$14,000,000 (the  
22 "Project"), as further detailed in the Redevelopment Agreement  
23 ("Agreement") placed **On File** with the Legislative Services  
24 Division; and

25 **WHEREAS**, the Developer is seeking: (1) a Redevelopment  
26 Completion Grant in the amount of \$1,000,000 payable upon  
27 substantial completion of the Project; (2) a 10 year, 75% REV Grant  
28 in the maximum amount of \$1,000,000; and (3) a Development Loan in  
29 the amount of \$1,000,000 payable upon substantial completion of the  
30 Project, with a 3% interest rate and 20 year term; and

31 **WHEREAS**, the Office of Economic Development ("OED") has

1 considered the Developer's requests and has determined that the  
2 Redevelopment Completion Grant, REV Grant and Development Loan will  
3 enable the Developer to redevelop the property and complete the  
4 Project as further described in the Agreement; and

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

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

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

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

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

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

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

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

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

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

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

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

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

26 **Section 3. Payment of Redevelopment Completion Grant to**  
27 **Developer.** The Redevelopment Completion Grant is hereby authorized,  
28 and, subject to subsequent appropriation by Council, the City is  
29 authorized to disburse the Redevelopment Completion Grant to the  
30 Developer in an amount not to exceed \$1,000,000, pursuant to and as  
31 set forth in the Agreement.

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

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

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

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

26           Subject to subsequent appropriation by Council, a \$1,000,000  
27 Development Loan is hereby authorized pursuant to and in accordance  
28 with the terms and conditions of the Agreement.

29           **Section 6.           Designation of Authorized Official and OED as**  
30 **Contract Monitor.** The Mayor is designated as the authorized

31 official of the City for the purpose of executing and delivering

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

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

16 **Section 8. Further Authorizations.** The Mayor, or his  
17 designee, and the Corporation Secretary, are hereby authorized to  
18 execute the Agreements and all other contracts and documents and  
19 otherwise take all necessary action in connection therewith and  
20 herewith. The Executive Director of the OED, as contract  
21 administrator, is authorized to negotiate and execute all necessary  
22 changes and amendments to the Agreements and other contracts and  
23 documents, to effectuate the purposes of this Ordinance, without  
24 further Council action, provided such changes and amendments are  
25 limited to amendments that are technical in nature (as described in  
26 Section 2 hereof), and further provided that all such amendments  
27 shall be subject to appropriate legal review and approval by the  
28 General Counsel, or his or her designee, and all other appropriate  
29 official action required by law.

30 **Section 9. Execution of Agreements.** If the Agreement  
31 approved by this Ordinance has not been signed by the Developer

1 within ninety (90) days after the OED delivers or mails the  
2 unexecuted Agreement to the Developer for execution, then the City  
3 Council approvals in this Ordinance and authorization for the Mayor  
4 to execute the Agreements are automatically revoked, provided  
5 however, that the Chief Executive Officer of the OED shall have the  
6 authority to extend such ninety (90) day period in writing at his  
7 discretion for up to an additional ninety (90) days.

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

20       **Section 11. Effective Date.** This Ordinance shall become  
21 effective upon signature by the Mayor or upon becoming effective  
22 without the Mayor's signature.

23  
24 Form Approved:

25  
26 /s/ John Sawyer

27 Office of General Counsel

28 Legislation Prepared By: John Sawyer

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