

1 Introduced by the Council President at the request of the Downtown  
2 Investment Authority and Co-Sponsored by Council Member Peluso and  
3 amended by the Neighborhoods, Community Services, Public Health and  
4 Safety Committee:

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7 **ORDINANCE 2023-345-E**

8 AN ORDINANCE MAKING CERTAIN FINDINGS, AND  
9 AUTHORIZING THE MAYOR, OR HIS DESIGNEE, TO  
10 EXECUTE AN AMENDMENT ONE TO SECOND AMENDED AND  
11 RESTATED REDEVELOPMENT AGREEMENT ("AMENDMENT  
12 ONE") BY AND AMONG THE CITY OF JACKSONVILLE  
13 ("CITY"), THE DOWNTOWN INVESTMENT AUTHORITY  
14 ("DIA"), AND AXIS HOTELS LLC ("DEVELOPER") TO  
15 ESTABLISH A RECOMMENCEMENT OF CONSTRUCTION DATE  
16 AND EXTEND THE BUILDING IMPROVEMENTS COMPLETION  
17 DATE FROM JUNE 30, 2023 TO ONE YEAR AFTER THE  
18 RECOMMENCEMENT OF CONSTRUCTION DATE;  
19 AUTHORIZING TECHNICAL CHANGES TO AMENDMENT ONE;  
20 PROVIDING A DEADLINE FOR DEVELOPER TO EXECUTE  
21 THE AGREEMENT; PROVIDING AN EFFECTIVE DATE.

22  
23 **WHEREAS**, the City of Jacksonville ("City"), Downtown  
24 Investment Authority ("DIA") and Axis Hotels LLC (the "Developer")  
25 previously entered into that certain Redevelopment Agreement dated  
26 March 26, 2019, as amended and restated by that certain Amended and  
27 Restated Redevelopment Agreement dated June 25, 2020, as authorized  
28 by 2020-230-E, as further amended and restated by that certain Second  
29 Amended and Restated Redevelopment Agreement dated March 25, 2022,  
30 as authorized by 2021-459-E (the "Second Amended and Restated  
31 Redevelopment Agreement"), pursuant to which the City has agreed to

1 provide a \$1,500,000 Historic Preservation Trust Fund Grant upon the  
2 satisfaction of the conditions set forth in the Second Amended and  
3 Restated Redevelopment Agreement including the substantial completion  
4 of the renovation of the Ambassador Hotel Building by December 31,  
5 2022 (the "Building Improvements Completion Date"); and

6 **WHEREAS**, at the request of the Developer due in part to delays  
7 due to supply chain issues, the CEO of the DIA and the DIA Board have  
8 granted extensions to the Building Improvements Completion Date to  
9 June 30, 2023; and

10 **WHEREAS**, the DIA has no further authority to extend the  
11 Building Improvements Completion Date and the Developer has requested  
12 and the DIA has agreed, subject to Council approval, to enter into  
13 an amendment to Second Amended and Restated Redevelopment Agreement  
14 to extend the Building Improvements Completion Date from June 30,  
15 2023 to September 30, 2023 in order to provide a reasonable time  
16 frame for the Developer to Substantially Complete the renovation of  
17 the Ambassador Hotel Building in accordance with the terms and  
18 conditions set forth in the Second Amended and Restated Redevelopment  
19 Agreement;

20 **WHEREAS**, on March 15, 2023, the DIA approved a resolution  
21 ("Resolution") to enter into such an amendment to the Second Amended  
22 and Restated Redevelopment Agreement, said Resolution being attached  
23 hereto as **Exhibit 1**; and

24 **WHEREAS**, subsequent to DIA approval of the aforementioned  
25 extension to the Building Improvements Completion Date, the Developer  
26 became aware that a number of liens were recorded that encumber title  
27 to various parcels owned by the Developer and related entities,  
28 including the parcel upon which the Ambassador Hotel is located; and

29 **WHEREAS**, the existence of said liens, and the pending  
30 litigation arising from those liens, has precluded the Developer from  
31 continuing with construction of the improvements in accordance with

1 the Second Amended and Restated Redevelopment Agreement and the  
2 extended timeframes originally proposed pursuant to this legislation  
3 which have now lapsed; and

4 **WHEREAS**, the Developer has requested that a recommencement of  
5 construction date be established and that a further extension of the  
6 Building Improvements Completion Date be granted to allow additional  
7 time to resolve the outstanding liens; and

8 **WHEREAS**, on November 15, 2023, the DIA considered this request  
9 and approved Resolution 2023-11-03, attached hereto as **Exhibit 2**,  
10 recommending the City Council revise the Performance Schedule  
11 contained in the Second Amended and Restated Redevelopment Agreement  
12 to establish a deadline for recommencement of construction to occur  
13 90 days following the effective date of this legislation (the  
14 "Recommencement of Construction Date") and to extend the Building  
15 Improvements Completion Date from June 30, 2023, to one year following  
16 the Recommencement of Construction Date without the possibility of  
17 further extensions except by Council action; and

18 **WHEREAS**, it has been determined to be in the interest of the  
19 City and DIA to enter into such an amendment to the Second Amended  
20 and Restated Redevelopment Agreement and approve of and adopt the  
21 matters set forth in this Ordinance; now therefore

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

23 **Section 1. Recitals.** The recitals set forth herein are  
24 true and correct.

25 **Section 2. Amendment One to Second Amended and Restated**  
26 **Redevelopment Agreement approved and execution authorized.** There is  
27 hereby approved, and the Mayor (or his authorized designee) and the  
28 Corporation Secretary are hereby authorized to execute and deliver,  
29 the Amendment One to the Second Amended and Restated Redevelopment  
30 Agreement substantially in the form placed **Revised On File** with the  
31 Legislative Services Division ("Amendment One"). Amendment One amends

1 the Second Amended and Restated Redevelopment Agreement to establish  
2 a Recommencement of Construction Date that requires the Developer to  
3 enter into a contract with a new general contractor for construction  
4 and completion of the Building Improvements and for on-site work by  
5 that general contractor to commence on or before 90 days after the  
6 effective date of this legislation, and to extend the Building  
7 Improvements Complete Date to one year after the Recommencement of  
8 Construction Date.

9 **Section 3. Execution of Agreement.** If the Agreement  
10 approved by this Ordinance has not been signed by the Developer within  
11 thirty (30) days after the DIA delivers or mails the unexecuted  
12 Agreement to the Developer for execution, then the City Council  
13 approvals in this Resolution and authorization for the Mayor to  
14 execute the Agreement are automatically revoked; provided, however,  
15 that the Chief Executive Officer of the DIA shall have the authority  
16 to extend such thirty (30) day period in writing at her discretion  
17 for up to an additional thirty (30) days.

18 **Section 4. Effective Date.** This Ordinance shall become  
19 effective upon signature by the Mayor or upon becoming effective  
20 without the Mayor's signature.

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22 Form Approved:

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24           /s/ Mary E. Staffopoulos          

25 Office of General Counsel

26 Legislation Prepared By: Joelle Dillard

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