

1 Introduced by the Council President at the request of the DIA and  
2 amended on the Floor of Council:

3  
4  
5 **ORDINANCE 2023-85-E**

6 AN ORDINANCE APPROVING AND AUTHORIZING THE CHIEF  
7 EXECUTIVE OFFICER OF THE DOWNTOWN INVESTMENT  
8 AUTHORITY ("DIA") TO EXECUTE AND DELIVER ON  
9 BEHALF OF THE CITY OF JACKSONVILLE THAT CERTAIN  
10 DEVELOPMENT AGREEMENT ("DEVELOPMENT AGREEMENT")  
11 BETWEEN THE DOWNTOWN INVESTMENT AUTHORITY  
12 ("DIA") AND THE JACKSONVILLE HISTORIC NAVAL SHIP  
13 ASSOCIATION, INC. ("JHNSA"), FOR THE RELOCATION  
14 OF THE RETIRED NAVAL VESSEL USS ORLECK (DD-886)  
15 ("USS ORLECK") IN DOWNTOWN JACKSONVILLE AS A  
16 FLOATING MUSEUM ("SHIP MUSEUM"), TO PIER ONE AT  
17 THE FORMER JACKSONVILLE SHIPYARD SITE ON  
18 JACKSONVILLE'S NORTHBANK, SAID AGREEMENT BEING  
19 FOR A CERTAIN TERM AND CONTINGENT UPON CERTAIN  
20 CONDITIONS PRECEDENT BEING MET BY JHNSA PRIOR TO  
21 THE CITY'S ENTERING INTO (1) A TEN (10) YEAR  
22 LICENSE AGREEMENT WITH JHNSA, WITH TWO (2) FIVE  
23 (5) YEAR LICENSE RENEWAL OPTIONS, SUBJECT TO THE  
24 MUTUAL AGREEMENT OF THE PARTIES, FOR JHNSA TO  
25 CONSTRUCT, OPERATE AND MAINTAIN THE SHIP MUSEUM,  
26 AND (2) A LICENSE AGREEMENT FOR AN UP TO TWO (2)  
27 YEAR TERM UNLESS EXTENDED BY THE CHIEF EXECUTIVE  
28 OFFICER OF THE DIA AS PROVIDED THEREIN, FOR  
29 JHNSA TO INSTALL IMPROVEMENTS TO SUPPORT  
30 TEMPORARY ACCESS TO THE SHIP MUSEUM ("LICENSE  
31 AGREEMENTS"); AUTHORIZING THE DIA TO EXECUTE

1 TECHNICAL AMENDMENTS TO THE DEVELOPMENT  
2 AGREEMENT AND LICENSE AGREEMENTS IN ACCORDANCE  
3 WITH THE TERMS OF THE DEVELOPMENT AGREEMENT AND  
4 LICENSE AGREEMENTS WITHOUT FURTHER COUNCIL  
5 APPROVAL; PROVIDING A DEADLINE FOR JHNSA TO  
6 EXECUTE THE DEVELOPMENT AGREEMENT AND LICENSE  
7 AGREEMENTS; PROVIDING FOR OVERSIGHT BY THE DIA;  
8 PROVIDING AN EFFECTIVE DATE.  
9

10 **WHEREAS**, the City Council in Ordinance 2021-358-E and the  
11 Downtown Investment Authority ("DIA") in DIA Resolution 2020-01-02  
12 previously expressed their support of the efforts by the Jacksonville  
13 Historic Naval Ship Association, Inc. ("JHNSA") to bring the retired  
14 naval vessel USS Orleck to Jacksonville as a downtown floating museum  
15 (the "Ship Museum") by approving the execution of a certain  
16 development agreement ("Prior Development Agreement") and license  
17 agreement ("Prior License Agreement") between JHNSA and the DIA; and

18 **WHEREAS**, the City Council determined that establishing and  
19 operating the USS Orleck in downtown Jacksonville as a Ship Museum  
20 and tourist attraction at Pier One on the north bank of the St. Johns  
21 River and the operation of the Ship Museum (collectively, the  
22 "Project") would benefit the City, the Navy, and the public; and

23 **WHEREAS**, the Prior Development Agreement was executed by the  
24 parties, and JHNSA acquired the USS Orleck, brought the ship to  
25 Jacksonville, and temporarily moored the ship on the Northbank  
26 bulkhead; and

27 **WHEREAS**, the City Council enacted Ordinance 2022-875-E granting  
28 a temporary construction easement that allowed the JHNSA to begin  
29 installation of the mooring improvements necessary for relocation of  
30 the ship to Pier One; and

31 **WHEREAS**, the Prior Development Agreement is scheduled to expire

1 on March 31, 2023, and the pre-conditions to enter into the Prior  
2 License Agreement have not been met; and

3       **WHEREAS**, the DIA has reevaluated the Project and has proposed a  
4 new development agreement ("Development Agreement"), a new license  
5 agreement to accommodate the mooring of the USS Orleck at Pier One  
6 ("Submerged Lands License Agreement"), and a new license agreement  
7 for the use of a temporary area on the uplands to facilitate immediate  
8 access to the Ship Museum ("Temporary Area License Agreement" and  
9 together with the Submerged Lands License Agreement, the "License  
10 Agreements"), to ensure the Project's overall operation at Pier One  
11 is satisfactory and contributing to the City, including the obligation  
12 of JHNSA to relocate or remove the USS Orleck, at no cost to the  
13 City, if JHNSA breaches the Development Agreement or the License  
14 Agreements; and

15       **WHEREAS**, the DIA, pursuant to its Resolution 2023-01-02 dated  
16 January 18, 2023, attached hereto as **Exhibit 1**, has requested that  
17 the City Council of the City of Jacksonville, Florida approve this  
18 Ordinance; now therefore

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

20       **Section 1. Recitals Correct.** The above recitals are true  
21 and correct, and by this reference are incorporated herein.

22       **Section 2. Authorization.** There is hereby approved and the  
23 Chief Executive Officer of the DIA is hereby authorized to execute  
24 and deliver (1) the Development Agreement between the DIA and JHNSA  
25 for the relocation of the USS Orleck to Pier One in Downtown  
26 Jacksonville and the operation of the USS Orleck as a floating museum  
27 ("Ship Museum") at the former Jacksonville Shipyard site in  
28 Jacksonville's Northbank Downtown Community Redevelopment Area, (2)  
29 the Submerged Lands License Agreement for JHNSA to construct, operate  
30 and maintain the Ship Museum, for a ten (10) year term, together with  
31 two (2) five (5) year license renewal options subject to the mutual

1 agreement of the parties, upon JHNSA's satisfaction of certain  
2 conditions precedent contained in the Development Agreement, and (3)  
3 the Temporary Area License Agreement for the use of a temporary area  
4 to facilitate access to the Ship Museum, for a term of up to two (2)  
5 years unless extended by the Chief Executive Officer of the DIA as  
6 provided therein, (collectively, the "Agreements") all being  
7 substantially in the form as placed and extensions shall not exceed,  
8 in the aggregate, a cumulative total of more than twelve (12) months  
9 without City Council approval **Second Revised On File** with the  
10 Legislative Services Division, (with such "technical" changes as  
11 herein authorized), for the purpose of implementing the  
12 recommendations of the DIA to effectuate the purpose of this Ordinance  
13 and all such other documents, necessary or appropriate to effectuate  
14 the purpose of this Ordinance.

15 The Agreements may include such additions, deletions and changes  
16 as may be reasonable, necessary and incidental for carrying out the  
17 purposes thereof, as may be acceptable to the Chief Executive Officer  
18 of the DIA, or her designee, with such inclusion and acceptance being  
19 evidenced by execution of the Agreements by the Chief Executive  
20 Officer of the DIA, or her designee; provided however, no modification  
21 to the Agreements may increase the financial obligations or liability  
22 of the City or the Downtown Investment Authority to an amount in  
23 excess of the amount stated in the Agreements or decrease the  
24 financial obligations or liability of JHNSA, and any such modification  
25 shall be technical only and shall be subject to appropriate legal  
26 review and approval by the Office of General Counsel. For purposes  
27 of this Ordinance, the term "technical changes" is defined as  
28 including, but not limited to, changes in legal descriptions or  
29 surveys, descriptions of infrastructure improvements and/or any road  
30 project, ingress and egress, easements and rights of way, design  
31 standards, performance schedules (provided that no performance

1 schedule may be extended for more than six (6) months without DIA  
2 Board approval and extensions shall not exceed, in the aggregate, a  
3 cumulative total of more than twelve (12) months without City Council  
4 approval), access and site plan, resolution of title defects, if any,  
5 and other non-substantive changes that do not substantively increase  
6 the duties and responsibilities or financial obligations of the City  
7 or the Downtown Investment Authority under the provisions of the  
8 Agreements.

9       **Section 3. Additional Authorization.** The Chief Executive  
10 Officer of the DIA is hereby authorized to execute additional  
11 amendments to Agreements as authorized in accordance with the terms  
12 of the Agreements, so long as the amendments to the Agreements are  
13 technical amendments that do not increase the financial obligations  
14 of the City or the Downtown Investment Authority.

15       **Section 4. Execution of the Agreements.** If the conditions  
16 precedent to the Agreements approved by this Resolution have not been  
17 satisfied and the Agreements have not been signed by JHNSA by March  
18 21, 2023, then the City Council approvals in this Resolution and  
19 authorization for the Chief Executive Officer of the DIA to execute  
20 the Agreements are automatically revoked; provided, however, that the  
21 Chief Executive Officer of the DIA shall have the authority to extend  
22 such period in writing at her discretion for up to an additional ten  
23 (10) days.

24       **Section 5. Oversight Department.** The DIA shall oversee the  
25 Project in accordance with this Ordinance and the Agreements.

26       **Section 6. Effective Date.** This Ordinance shall become  
27 effective upon signature by the Mayor or upon becoming effective  
28 without the Mayor's signature.

1 Form Approved:

2

3           /s/ Mary E. Staffopoulos          

4 Office of General Counsel

5 Legislation prepared by Joelle J. Dillard

6 GC-#1554352-v1-2023-85-E.docx