

1 Introduced by the Council President at the request of the DIA:
2
3

4 **ORDINANCE 2024-748**

5 AN ORDINANCE MAKING CERTAIN FINDINGS AND
6 AUTHORIZING THE MAYOR, OR HER DESIGNEE, TO
7 EXECUTE: (1) A REDEVELOPMENT AGREEMENT
8 ("REDEVELOPMENT AGREEMENT") AMONG THE CITY OF
9 JACKSONVILLE ("CITY"), DOWNTOWN INVESTMENT
10 AUTHORITY ("DIA"), AND RD RIVER CITY BREWERY,
11 LLC ("DEVELOPER"), WHICH REDEVELOPMENT
12 AGREEMENT PROVIDES FOR THE DESIGN AND
13 CONSTRUCTION OF 390 MULTI-FAMILY RESIDENTIAL
14 UNITS, A 550 SPACE STRUCTURED PARKING FACILITY,
15 A RESTAURANT VENUE, A SHIP'S STORE, AND
16 RIVERWALK IMPROVEMENTS BY THE DEVELOPER, ALL ON
17 THE SOUTHBANK OF THE ST. JOHNS RIVER WITHIN THE
18 SOUTHSIDE COMMUNITY REDEVELOPMENT AREA
19 ("PROJECT"); (2) A COMPLETION GRANT ESCROW AND
20 DISBURSEMENT AGREEMENT GOVERNING DISBURSEMENT
21 OF THE COMPLETION GRANT; (3) A PAYMENT GUARANTY
22 IN FAVOR OF THE CITY IN THE EVENT THE PROJECT IS
23 NOT COMPLETED BY A DATE CERTAIN; (4) A PARKING
24 EASEMENT AGREEMENT IN FAVOR OF THE CITY FOR 30
25 PARKING SPACES WITHIN THE PARKING GARAGE; AND
26 (5) EASEMENTS AND RELATED DOCUMENTS AS DESCRIBED
27 IN THE REDEVELOPMENT AGREEMENT; AUTHORIZING A
28 SEVENTY-FIVE PERCENT, FIFTEEN YEAR, MULTI-
29 FAMILY RECAPTURE ENHANCED VALUE (REV) GRANT IN
30 THE MAXIMUM AMOUNT NOT TO EXCEED \$19,798,000 IN
31 CONNECTION WITH THE PROJECT; AUTHORIZING A

1 COMPLETION GRANT IN THE AMOUNT OF \$39,000,000;
2 DESIGNATING THE DIA AS CONTRACT MONITOR FOR THE
3 REDEVELOPMENT AGREEMENT; PROVIDING FOR CITY
4 OVERSIGHT OF THE RIVERWALK IMPROVEMENTS PORTION
5 OF THE PROJECT BY THE DEPARTMENT OF PUBLIC
6 WORKS; AUTHORIZING THE EXECUTION OF ALL
7 DOCUMENTS RELATING TO THE ABOVE AGREEMENTS AND
8 TRANSACTIONS, AND AUTHORIZING TECHNICAL CHANGES
9 TO THE DOCUMENTS; WAIVER OF THAT PORTION OF THE
10 PUBLIC INVESTMENT POLICY ADOPTED BY ORDINANCE
11 2016-382-E, AS AMENDED, TO AUTHORIZE THE
12 COMPLETION GRANT, WHICH IS NOT AUTHORIZED BY THE
13 PUBLIC INVESTMENT POLICY; PROVIDING AN EFFECTIVE
14 DATE.

15
16 **WHEREAS**, RD River City Brewery, LLC (the "Developer"), DIA and
17 the City previously entered into a Redevelopment Agreement dated June
18 29, 2021 pursuant to which Developer purchased the land located
19 generally at 835 Museum Circle on the Southbank of the St. Johns
20 River in downtown, Jacksonville, known generally as the River City
21 Brewing Company site (as subsequently conveyed from the City to the
22 Developer, the "Project Parcel"); and

23 **WHEREAS**, the then existing improvements on the Project Parcel
24 were demolished by the Developer, however development of the new
25 project did not commence due to increases in construction and
26 financing costs and the impact of the pandemic on supply chains; and

27 **WHEREAS**, Developer now intends to construct 390 Class A multi-
28 family residential units, a 550-space structured parking facility, a
29 restaurant, a ship's store, and certain Riverwalk Improvements on the
30 Project Parcel (or adjacent City-owned real property, as applicable)

1 (collectively, the "Project"), at an estimated cost of \$202,746,000;
2 and

3 **WHEREAS**, the Developer is seeking: (1) a REV Grant in the
4 maximum, up to amount of \$19,798,000 payable from the Downtown
5 Southbank Community Redevelopment Area ("Southbank CRA"), and by the
6 City upon the expiration or earlier termination of the Southbank CRA;
7 (2) a Completion Grant in the amount of \$39,000,000 to be appropriated
8 at such time as the Developer applies for building permits for the
9 Project and payable pari passu with the senior construction loan via
10 a third-party escrow agent selected by the DIA on commencement of the
11 vertical components of the Project, each in support of the Project;
12 the Developer has also agreed to make an annual contribution to the
13 City in the amount of \$98,117 (increasing annually each year by 2%)
14 for a 30 year term, to be applied to maintenance services to maintain
15 St. Johns River Park and Friendship Fountain; and

16 **WHEREAS**, the Developer will also construct on behalf of the City
17 certain Riverwalk Improvements at its sole expense; and

18 **WHEREAS**, the DIA has considered the Developer's requests and has
19 determined that the REV Grant and completion grant authorized hereby
20 will enable the Developer to construct the Project as described in
21 the Redevelopment Agreement; and

22 **WHEREAS**, the Project is consistent with the DIA BID Plan, and
23 furthers Redevelopment Goals: Goal 2, Increase rental and owner-
24 occupied housing downtown, targeting key demographic groups seeking
25 a more urban lifestyle; Goal 3, Increase and diversify the number and
26 type of retail, food and beverage, and entertainment establishments
27 within Downtown; Goal 4, Increase the vibrancy of Downtown for
28 residents and visitors through arts, culture, history, sports,
29 theater, events, parks, and attractions; Goal 5, Improve the safety,
30 accessibility and wellness of Downtown Jacksonville and cleanliness
31 and maintenance of public spaces for residents, workers, and visitors;

1 Goal 6, Improve the walkability/bike-ability of Downtown and
2 pedestrian and bicycle connectivity between Downtown and adjacent
3 neighborhoods and the St. Johns River; and Goal 7, Capitalize on the
4 aesthetic beauty of the St. Johns River, value its health and respect
5 its natural force, and maximize interactive and recreational
6 opportunities for residents and visitors to create waterfront
7 experiences unique to Downtown Jacksonville; and

8 **WHEREAS**, on May 15, 2024, the DIA approved a resolution (the
9 "Resolution") to enter into the Redevelopment Agreement, said
10 Resolution being attached hereto as **Exhibit 1**; and

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

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

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

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

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

20 (c) The City's assistance for the Project will enable and
21 facilitate the Project, the Project will enhance and increase the
22 City's tax base and revenues, and the Project will improve the quality
23 of life necessary to encourage and attract business expansion in the
24 City.

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

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

28 (f) The authorizations provided by this Ordinance are for public
29 uses and purposes for which the City may use its powers as a
30 municipality and as a political subdivision of the State of Florida
31 and may expend public funds, and the necessity in the public interest

1 for the provisions herein enacted is hereby declared as a matter of
2 legislative determination.

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

6 **Section 2. Execution of Agreements.** The Mayor (or her
7 authorized designee) and the Corporation Secretary are hereby
8 authorized to execute and deliver the Redevelopment Agreement,
9 easements and related documents described in the Redevelopment
10 Agreement (collectively, the "Agreements") substantially in the form
11 placed **On File** with the Legislative Services Division (with such
12 "technical" changes as herein authorized), for the purpose of
13 implementing the recommendations of the DIA as further described in
14 the Redevelopment Agreement.

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 Mayor, or her designee,
18 with such inclusion and acceptance being evidenced by execution of
19 the Agreements by the Mayor or her designee. No modification to the
20 Agreements may increase the financial obligations or the liability of
21 the City and any such modification shall be technical only and shall
22 be subject to appropriate legal review and approval of the General
23 Counsel, or his or her designee, and all other appropriate action
24 required by law. "Technical" is herein defined as including, but not
25 limited to, changes in legal descriptions and surveys, descriptions
26 of infrastructure improvements and/or any road project, ingress and
27 egress, easements and rights of way, performance schedules (provided
28 that no performance schedule may be extended for more than one year
29 without Council approval), design standards, access and site plan,
30 which have no financial impact.

31 **Section 3. Payment of REV Grant.**

1 (a) The REV Grant in the amount not to exceed \$19,798,000, the
2 terms of which are more specifically described in the Redevelopment
3 Agreement, shall not be deemed to constitute a debt, liability, or
4 obligation of the City or of the State of Florida or any political
5 subdivision thereof within the meaning of any constitutional or
6 statutory limitation, or a pledge of the faith and credit or taxing
7 power of the City or of the State of Florida or any political
8 subdivision thereof, but shall be payable solely from the funds
9 provided therefor as provided in this Section. The Redevelopment
10 Agreement shall contain a statement to the effect that the City shall
11 not be obligated to pay any installment of its financial assistance
12 to the Developer except from the non-ad valorem revenues or other
13 legally available funds provided for that purpose, that neither the
14 faith and credit nor the taxing power of the City or of the State of
15 Florida or any political subdivision thereof is pledged to the payment
16 of any portion of such financial assistance, and that the Developer,
17 or any person, firm or entity claiming by, through or under the
18 Developer, or any other person whomsoever, shall never have any right,
19 directly or indirectly, to compel the exercise of the ad valorem
20 taxing power of the City or of the State of Florida or any political
21 subdivision thereof for the payment of any portion of such financial
22 assistance.

23 (b) The DIA Board (and the City upon the expiration or earlier
24 termination of the Southbank CRA) is hereby authorized to and shall
25 disburse the annual installments of the REV Grant to the Developer
26 as provided in this Section in accordance with this Ordinance and the
27 Redevelopment Agreement.

28 **Section 4. Payment of Completion Grant.**

29 (a) The Completion Grant shall not be deemed to constitute a
30 debt, liability, or obligation of the City or of the State of Florida
31 or any political subdivision thereof within the meaning of any

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

17 (b) The Mayor, or her designee, is hereby authorized to and shall
18 disburse the Completion Grant as provided in this Section in
19 accordance with this Ordinance and the Redevelopment Agreement.

20 **Section 5. Designation of Authorized Official and DIA as**
21 **Contract Monitor.** The Mayor is designated as the authorized official
22 of the City for the purpose of executing and delivering any contracts
23 and documents and furnishing such information, data and documents for
24 the Agreements and related documents as may be required and otherwise
25 to act as the authorized official of the City in connection with the
26 Agreements, and is further authorized to designate one or more other
27 officials of the City to exercise any of the foregoing authorizations
28 and to furnish or cause to be furnished such information and take or
29 cause to be taken such action as may be necessary to enable the City
30 to implement the Agreements according to their terms. The DIA is
31 hereby required to administer and monitor the Redevelopment Agreement

1 and to handle the City's responsibilities thereunder, including the
2 City's responsibilities under such agreement working with and
3 supported by all relevant City departments.

4 **Section 6. Oversight Department.** The Department of Public
5 Works shall oversee the Riverwalk Improvements portion of the Project.

6 **Section 7. Further Authorizations.** The Mayor, or her
7 designee, and the Corporation Secretary, are hereby authorized to
8 execute the Agreements and all other contracts and documents and
9 otherwise take all necessary action in connection therewith and
10 herewith. The Chief Executive Officer of the DIA, as contract
11 administrator, is authorized to negotiate and execute all necessary
12 changes and amendments to the Agreements and other contracts and
13 documents, to effectuate the purposes of this Ordinance, without
14 further Council action, provided such changes and amendments are
15 limited to amendments that are technical in nature (as described in
16 Section 2 hereof), and further provided that all such amendments
17 shall be subject to appropriate legal review and approval by the
18 General Counsel, or his or her designee, and all other appropriate
19 official action required by law.

20 **Section 8. Waiver of Public Investment Policy.** The
21 requirements of the Public Investment Policy adopted by City Council
22 Ordinance 2022-372-E, as amended, are waived to authorize the
23 Completion Grant that is not authorized pursuant to the Public
24 Investment Policy. The waiver is justified due to the fact that the
25 Project will cause an estimated private capital investment in the
26 project of \$202,746,000 and result in increased ad valorem revenues
27 to the City.

28 **Section 9. Effective Date.** This Ordinance shall become
29 effective upon signature by the Mayor or upon becoming effective
30 without the Mayor's signature.

1 Form Approved:

2

3 /s/ John Sawyer

4 Office of General Counsel

5 Legislation Prepared By: John Sawyer

6 GC-#1637398-v4-Leg__2024-__RD_River_City_Brewery_RDA.docx