

1 Introduced by the Council President at the request of the Downtown
2 Investment Authority and Co-Sponsored by Council Member Peluso:

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5 **ORDINANCE 2024-37-E**

6 AN ORDINANCE MAKING CERTAIN FINDINGS, AND
7 APPROVING AND AUTHORIZING THE CHIEF EXECUTIVE
8 OFFICER OF THE DOWNTOWN INVESTMENT AUTHORITY, OR
9 HER DESIGNEE, TO EXECUTE A REDEVELOPMENT
10 AGREEMENT ("REDEVELOPMENT AGREEMENT") BETWEEN
11 THE DOWNTOWN INVESTMENT AUTHORITY ("DIA") AND
12 CLL JONES BROS LLC ("DEVELOPER"), TO SUPPORT THE
13 RENOVATION AND REHABILITATION BY DEVELOPER OF A
14 HISTORIC BUILDING LOCATED AT 520 N. HOGAN STREET
15 ("PROJECT"); AUTHORIZING THREE DOWNTOWN
16 PRESERVATION AND REVITALIZATION PROGRAM
17 ("DPRP") LOANS, IN AN AGGREGATE AMOUNT NOT TO
18 EXCEED \$6,033,500.00, TO THE DEVELOPER IN
19 CONNECTION WITH THE PROJECT, TO BE APPROPRIATED
20 BY SUBSEQUENT LEGISLATION; DESIGNATING THE DIA
21 AS CONTRACT MONITOR FOR THE REDEVELOPMENT
22 AGREEMENT; PROVIDING FOR OVERSIGHT OF THE
23 PROJECT BY THE DIA; AUTHORIZING THE EXECUTION OF
24 ALL DOCUMENTS RELATING TO THE REDEVELOPMENT
25 AGREEMENT AND TRANSACTIONS, AND AUTHORIZING
26 TECHNICAL CHANGES TO THE DOCUMENTS; PROVIDING A
27 DEADLINE FOR DEVELOPER TO EXECUTE THE
28 REDEVELOPMENT AGREEMENT; PROVIDING AN EFFECTIVE
29 DATE.

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31 **WHEREAS**, pursuant to Chapter 55, Part 3 (Downtown Preservation

1 and Revitalization Program), *Ordinance Code*, the City of Jacksonville
2 ("City") established the Downtown Preservation and Revitalization
3 Program ("DPRP") for purposes of fostering the preservation and
4 revitalization of certain historic and qualified non-historic,
5 buildings located in Downtown Jacksonville; and

6 **WHEREAS**, CLL Jones Bros LLC (the "Developer") owns certain
7 real property located at 520 N. Hogan Street, on which Developer
8 intends to cause the renovation and rehabilitation of the historic
9 building commonly known as the Jones Brothers Furniture Building
10 located thereon (the "Building"), as further detailed in the
11 Redevelopment Agreement (the "Redevelopment Agreement") placed **On**
12 **File** with the Office of Legislative Services, (the "Project"); and

13 **WHEREAS**, the Developer is seeking to secure DPRP loans
14 consisting of a Historic Preservation Restoration and Rehabilitation
15 Forgivable Loan ("HPRR Loan"), a Code Compliance Renovations
16 Forgivable Loan ("CCR Loan"), and a Deferred Principal Loan ("Deferred
17 Principal Loan") in an aggregate amount not to exceed \$6,033,500.00
18 (each, a "DPRP Loan") for exterior and interior rehabilitation and
19 restoration, and Code required improvements in support of the Project;
20 and

21 **WHEREAS**, the scope of the Project will include redevelopment
22 of the Building to provide a residential lobby, a co-work office
23 suite of not less than 1,700 square feet, and service spaces on the
24 first floor of the Building and a minimum of twenty-eight (28)
25 apartments consisting of up to twenty-eight (28) one (1) bedroom
26 units and one (1) studio unit to be located on the second through the
27 seventh floors of the Building (the "Improvements"); and

28 **WHEREAS**, the Improvements will also include improvements
29 related to restoring the property to historic standards, preserving
30 and maintaining the integrity of the structures, and meeting certain
31 code compliance requirements to make the property more accessible and

1 functional; and

2 **WHEREAS**, historic preservation, revitalization, and the reuse
3 of Jacksonville’s historic buildings and structures are important to
4 the City’s overall social and economic welfare; and

5 **WHEREAS**, the DIA has considered the Developer’s requests and
6 has determined that the DPRP Loans will enable the Developer to
7 restore and rehabilitate the historic structures and construct the
8 Project as described in the Redevelopment Agreement; and

9 **WHEREAS**, on May 19, 2023, the DIA approved Resolution 2023-05-
10 03 (the “Resolution”) to enter into the Redevelopment Agreement,
11 which is attached hereto as **Exhibit 1** and incorporated herein by
12 reference; and

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

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

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

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

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

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

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

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

30 (f) The authorizations provided by this Ordinance are for
31 public uses and purposes for which the City may use its powers as a

1 municipality and as a political subdivision of the State of Florida
2 and may expend public funds, and the necessity in the public interest
3 for the provisions herein enacted is hereby declared as a matter of
4 legislative determination.

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

8 **Section 2. Redevelopment Agreement Approved and Execution**
9 **Authorized.** There is hereby approved, and the Chief Executive Officer
10 of the DIA, or her designee, is hereby authorized to execute and
11 deliver the Redevelopment Agreement substantially in the form placed
12 **On File** with the Office of Legislative Services (with such "technical"
13 changes as herein authorized), for the purpose of implementing the
14 recommendations of the DIA as further described in the Redevelopment
15 Agreement.

16 The Redevelopment Agreement may include such additions,
17 deletions and changes as may be reasonable, necessary and incidental
18 for carrying out the purposes thereof, as may be acceptable to the
19 Chief Executive Officer of the DIA, or her designee, with such
20 inclusion and acceptance being evidenced by execution of the
21 Redevelopment Agreement by the Chief Executive Officer of the DIA, or
22 her designee. No modification to the Redevelopment Agreement may
23 increase the financial obligations or the liability of the City or
24 DIA and any such modification shall be technical only and shall be
25 subject to appropriate legal review and approval of the General
26 Counsel, or his or her designee, and all other appropriate action
27 required by law. "Technical" is herein defined as including, but not
28 limited to, changes in legal descriptions and surveys, descriptions
29 of infrastructure improvements and/or any road project, ingress and
30 egress, easements and rights of way, performance schedule extensions
31 of up to six (6) months in the discretion of the CEO of the DIA,

1 design standards, access and site plan, which have no financial
2 impact.

3 **Section 3. Payment of DPRP Loans to Developer.** The DPRP
4 Loans are hereby authorized, and, subject to subsequent appropriation
5 by the City Council for the Project, the City is authorized to
6 disburse the DPRP Loans to the Developer in an aggregate amount not
7 to exceed \$6,033,500.00, pursuant to and as set forth in the
8 Redevelopment Agreement.

9 The DPRP Loans for the Improvements at the Building are comprised
10 of a HPRR Loan in the not-to-exceed amount of \$2,089,900.00, a CCR
11 Loan in the not-to-exceed amount of \$2,736,900.00, with said HPRR
12 Loan and CCR Loan each forgiven at a rate of 20% per year (with claw
13 back provisions provided in the Redevelopment Agreement), and a
14 Deferred Principal Loan in the not-to-exceed amount of \$1,206,700.00
15 which requires interest payments annually with principal to be repaid
16 at maturity (10 years from the date of funding).

17 **Section 4. Designation of Authorized Official and DIA as**
18 **Contract Monitor.** The Chief Executive Officer of the DIA is
19 designated as the authorized official of the City for the purpose of
20 executing and delivering the Redevelopment Agreement and is further
21 designated as the authorized official of the City for the purpose of
22 executing any additional contracts and documents and furnishing such
23 information, data and documents for the Redevelopment Agreement and
24 related documents as may be required and otherwise to act as the
25 authorized official of the City in connection with the Redevelopment
26 Agreement, and take or cause to be taken such action as may be
27 necessary to enable the City to implement the Redevelopment Agreement
28 according to its terms. The DIA is hereby further required to
29 administer and monitor the Redevelopment Agreement and to handle the
30 City's responsibilities thereunder, including the City's
31 responsibilities under the Redevelopment Agreement working with and

1 supported by all relevant City departments.

2 **Section 5. Oversight Department.** The Downtown Investment
3 Authority shall oversee the Project described herein.

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

18 **Section 7. Execution of Redevelopment Agreement.** If the
19 Redevelopment Agreement approved by this Ordinance has not been signed
20 by the Developer within thirty (30) days after the effective date of
21 this Ordinance, then the City Council approvals in this Resolution
22 and authorization for the Mayor to execute the Redevelopment Agreement
23 are automatically revoked; provided, however, that the Chief
24 Executive Officer of the DIA shall have the authority to extend such
25 thirty (30) day period in writing at her discretion as part of the
26 performance schedule extensions authorized in Section 2 hereof.

27 **Section 8. Effective Date.** This Ordinance shall become
28 effective upon signature by the Mayor or upon becoming effective
29 without the Mayor's signature.
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1 Form Approved:

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3 /s/ Mary E. Staffopoulos

4 Office of General Counsel

5 Legislation Prepared By: Joelle J. Dillard

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