

1 Introduced by the Council President at the request of the Downtown
2 Investment Authority:

3
4 **ORDINANCE 2022-452**

5 AN ORDINANCE MAKING CERTAIN FINDINGS, AND
6 APPROVING AND AUTHORIZING THE CHIEF EXECUTIVE
7 OFFICER OF THE DOWNTOWN INVESTMENT AUTHORITY, OR
8 HER DESIGNEE, TO EXECUTE A REDEVELOPMENT
9 AGREEMENT ("AGREEMENT") BETWEEN THE DOWNTOWN
10 INVESTMENT AUTHORITY ("DIA") AND 323 E BAY
11 STREET RE LLC ("DEVELOPER"), TO SUPPORT THE
12 RENOVATION AND REHABILITATION BY DEVELOPER OF A
13 HISTORIC BUILDING LOCATED AT 323 E. BAY STREET
14 ("PROJECT"); AUTHORIZING THREE DOWNTOWN
15 PRESERVATION AND REVITALIZATION PROGRAM
16 ("DPRP") LOANS, IN AN AGGREGATE AMOUNT NOT TO
17 EXCEED \$1,536,350.00, TO THE DEVELOPER IN
18 CONNECTION WITH THE PROJECT, TO BE APPROPRIATED
19 BY SUBSEQUENT LEGISLATION; DESIGNATING THE DIA
20 AS CONTRACT MONITOR FOR THE AGREEMENT; PROVIDING
21 FOR OVERSIGHT OF THE PROJECT BY THE DIA;
22 AUTHORIZING THE EXECUTION OF ALL DOCUMENTS
23 RELATING TO THE ABOVE AGREEMENT AND
24 TRANSACTIONS, AND AUTHORIZING TECHNICAL CHANGES
25 TO THE DOCUMENTS; PROVIDING AN EFFECTIVE DATE.

26
27 **WHEREAS**, pursuant to Chapter 55, Part 3 (Downtown Preservation
28 and Revitalization Program), *Ordinance Code*, the City of Jacksonville
29 ("City") established the Downtown Preservation and Revitalization
30 Program for purposes of fostering the preservation and revitalization
31 of certain historic and qualified non-historic, buildings located in

1 Downtown Jacksonville; and

2 **WHEREAS**, 323 E Bay Street RE LLC (the "Developer") owns certain
3 real property located at 323 E. Bay Street, on which Developer intends
4 to cause the renovation and rehabilitation of the historic building
5 located thereon (the "Building"), as further detailed in the Agreement
6 (the "Project"); and

7 **WHEREAS**, the Developer is seeking to secure Downtown
8 Preservation and Revitalization Program loans consisting of a
9 Historic Preservation Restoration and Rehabilitation Forgivable Loan,
10 a Code Compliance Renovations Forgivable Loan, and a Deferred
11 Principal Loan in an aggregate amount not to exceed \$1,536,350.00
12 (each, a "DPRP Loan") for exterior and interior rehabilitation and
13 restoration, and Code required improvements in support of the Project;
14 and

15 **WHEREAS**, the scope of the Project will include redevelopment of
16 the Building to provide a minimum of ten thousand (10,000) square
17 feet of commercial tenant space and a dried basement (the
18 "Improvements"); and

19 **WHEREAS**, the Project will also include improvements related to
20 restoring the property to historic standards, preserving and
21 maintaining the integrity of the structures, and meeting certain code
22 compliance requirements to make the property more accessible and
23 functional; and

24 **WHEREAS**, historic preservation, revitalization, and the reuse
25 of Jacksonville's historic buildings and structures are important to
26 the City's overall social and economic welfare; and

27 **WHEREAS**, the DIA has considered the Developer's requests and has
28 determined that the DPRP Loans will enable the Developer to restore
29 and rehabilitate the historic structures and construct the Project
30 as described in the Agreement; and

1 **WHEREAS**, on January 19, 2022, the DIA approved Resolution 2022-
2 01-01 (the "Resolution") to enter into the Agreement, said Resolution
3 being attached hereto as **Exhibit 1**; and

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

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

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

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

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

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

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

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

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

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

30 **Section 2. Redevelopment Agreement Approved and Execution**
31 **Authorized.** There is hereby approved, and the Chief Executive Officer

1 of the DIA, or her designee, is hereby authorized to execute and
2 deliver the Redevelopment Agreement substantially in the form placed
3 **On File** with the Office of Legislative Services (with such "technical"
4 changes as herein authorized), for the purpose of implementing the
5 recommendations of the DIA as further described in the Agreement.

6 The Agreement may include such additions, deletions and changes
7 as may be reasonable, necessary and incidental for carrying out the
8 purposes thereof, as may be acceptable to the Chief Executive Officer
9 of the DIA, or her designee, with such inclusion and acceptance being
10 evidenced by execution of the Agreement by the Chief Executive Officer
11 of the DIA, or her designee. No modification to the Agreement may
12 increase the financial obligations or the liability of the City or
13 DIA and any such modification shall be technical only and shall be
14 subject to appropriate legal review and approval of the General
15 Counsel, or his or her designee, and all other appropriate action
16 required by law. "Technical" is herein defined as including, but not
17 limited to, changes in legal descriptions and surveys, descriptions
18 of infrastructure improvements and/or any road project, ingress and
19 egress, easements and rights of way, performance schedule extensions
20 of up to six (6) months in the discretion of the CEO of the DIA,
21 design standards, access and site plan, which have no financial
22 impact.

23 **Section 3. Payment of DPRP Loans to Developer.** The DPRP
24 Loans are hereby authorized, and, subject to subsequent appropriation
25 by the City Council for the Project, the City is authorized to
26 disburse the DPRP Loans to the Developer in an aggregate amount not
27 to exceed \$1,536,350.00, pursuant to and as set forth in the
28 Agreement.

29 The DPRP Loans for the Improvements at the Building are comprised
30 of a Historic Preservation Restoration and Rehabilitation Forgivable
31 ("HPRR") Loan in the not-to-exceed amount of \$624,158.00, a Code

1 Compliance Forgivable ("CCR") Loan in the not-to-exceed amount of
2 \$414,050.00, with said HPRR and CCR Loans forgiven at a rate of 20%
3 per year (with claw back provisions provided in the Agreement), and
4 a Deferred Principal Loan in the not-to-exceed amount of \$498,142.00
5 which requires interest payments annually with principal to be repaid
6 at maturity (10 years from the date of funding).

7 **Section 4. Designation of Authorized Official and DIA as**
8 **Contract Monitor.** The Chief Executive Officer of the DIA is
9 designated as the authorized official of the City for the purpose of
10 executing and delivering the Agreement and is further designated as
11 the authorized official of the City for the purpose of executing any
12 additional contracts and documents and furnishing such information,
13 data and documents for the Agreement and related documents as may be
14 required and otherwise to act as the authorized official of the City
15 in connection with the Agreement, and take or cause to be taken such
16 action as may be necessary to enable the City to implement the
17 Agreement according to its terms. The DIA is hereby further required
18 to administer and monitor the Agreement and to handle the City's
19 responsibilities thereunder, including the City's responsibilities
20 under such Agreement working with and supported by all relevant City
21 departments.

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

24 **Section 6. Further Authorizations.** The Chief Executive
25 Officer of the DIA, or her designee, is hereby authorized to execute
26 the Agreement and otherwise take all necessary action in connection
27 therewith and herewith. The Chief Executive Officer of the DIA is
28 further authorized to negotiate and execute all necessary changes and
29 amendments to the Agreement and any other contracts and documents to
30 effectuate the purposes of this Ordinance, without further Council
31 action, provided such changes and amendments to the Agreement are

1 limited to amendments that are technical in nature (as described in
2 Section 2 hereof), and further provided that all such amendments
3 shall be subject to appropriate legal review and approval by the
4 General Counsel, or his or her designee, and take all other
5 appropriate official action required by law.

6 **Section 7. Effective Date.** This Ordinance shall become
7 effective upon signature by the Mayor or upon becoming effective
8 without the Mayor's signature.

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12 Form Approved:

13
14 /s/ Joelle J. Dillard

15 Office of General Counsel

16 Legislation Prepared By: Joelle J. Dillard

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