

1 Introduced by the Council President at the request of the DIA:  
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4 **ORDINANCE 2019-401**

5 AN ORDINANCE APPROVING AND AUTHORIZING THE  
6 MAYOR OR HIS DESIGNEE AND CORPORATION  
7 SECRETARY TO EXECUTE AND DELIVER: (1) A  
8 PURCHASE AND SALE AGREEMENT ("AGREEMENT")  
9 BETWEEN THE CITY OF JACKSONVILLE AND RYAN  
10 COMPANIES US, INC. ("DEVELOPER") AND ALL  
11 DEEDS, LICENSE AGREEMENTS AND CLOSING  
12 DOCUMENTS RELATING THERETO, AND OTHERWISE TAKE  
13 ALL NECESSARY ACTION TO EFFECTUATE THE  
14 PURPOSES OF THE AGREEMENT, FOR THE CONVEYANCE  
15 TO DEVELOPER OF REAL PROPERTY LOCATED IN  
16 COUNCIL DISTRICT 7 IN THE CENTRAL CIVIC CORE,  
17 COMPRISED OF AN APPROXIMATELY 1.52 ACRE PARCEL  
18 OF UNIMPROVED REAL PROPERTY LOCATED AT 337 W.  
19 ADAMS STREET, JACKSONVILLE, FLORIDA (THE  
20 "PROPERTY"), TO REDEVELOP INTO AN  
21 APPROXIMATELY 207,810 SQUARE FOOT OFFICE  
22 BUILDING AND STRUCTURED PARKING FACILITY TO  
23 SERVE AS THE NEW JEA HEADQUARTERS; AND (2) TO  
24 AUTHORIZE THE PLACEMENT OF A DECLARATION OF  
25 RESTRICTIVE COVENANT BETWEEN THE CITY OF  
26 JACKSONVILLE AND THE FLORIDA DEPARTMENT OF  
27 ENVIRONMENTAL PROTECTION (FDEP), AND ANY OTHER  
28 DOCUMENTS NECESSARY TO EFFECUTATE THE PURPOSES  
29 OF THE RESTRICTIVE COVENANT, FOR THE RIGHT-OF-  
30 WAY ADJACENT TO THE PROPERTY, SO AS TO PLACE  
31 ENVIRONMENTAL RESTRICTIONS ON THE SITE;

1 PROVIDING FOR OVERSIGHT BY THE DOWNTOWN  
2 INVESTMENT AUTHORITY; PROVIDING AN EFFECTIVE  
3 DATE.  
4

5 **WHEREAS**, the City of Jacksonville ("City") is the owner of an  
6 approximately 1.52 acre of unimproved real property located at 337  
7 W. Adams Street, R.E. # 073794-0100 in the Central Civic Core  
8 adjacent to the Duval County Courthouse site (the "Property"),  
9 which is located in the Northbank Downtown Community Redevelopment  
10 Area; and

11 **WHEREAS**, Developer submitted its unsolicited proposal to the  
12 Downtown Investment Authority ("DIA") on or about April 9, 2019;  
13 and

14 **WHEREAS**, the DIA issued its Notice of Disposition for a City-  
15 owned property ("Notice") providing notice to other interested  
16 developers who may be interested in purchasing and developing the  
17 Property; and

18 **WHEREAS**, Developer proposes to purchase the Property for  
19 \$2,600,000; and

20 **WHEREAS**, Developer intends to purchase and redevelop the  
21 Property to include approximately 207,810 square feet of office  
22 space and a structured parking facility to support the office  
23 building (the "Project"); and

24 **WHEREAS**, in the event the Developer fails to: (i) enter into a  
25 binding lease agreement with the JEA for the lease of the office  
26 building on the Property by December 31, 2020; or (ii) fails to  
27 commence construction of the Project by December 31, 2020, then the  
28 City has the option to repurchase the Property in accordance with  
29 the repurchase option in the Agreement; and

30 **WHEREAS**, at the request of the Florida Department of  
31 Environmental Protection ("FDEP"), the City performed a Site

1 Assessment Report and subsequently a Supplemental Site Assessment  
2 Report ("SSAR") on the Property, which identified certain  
3 environmental contamination on the Property, and the City is  
4 currently performing quarterly groundwater monitoring on the  
5 Property related to a groundwater plume located thereon; and

6 **WHEREAS**, the groundwater plume on the Property extends into a  
7 portion of the City-owned right of way adjacent to the Property;  
8 and

9 **WHEREAS**, due to contamination that remains on the Property and  
10 on the adjacent City right-of-way, the FDEP has a closure process  
11 available that will require that the City enter into a Declaration  
12 of Restrictive Covenant ("Declaration") with FDEP on the affected  
13 portion of the City-owned right-of-way ("Site"), so as to place  
14 environmental restrictions thereon; and

15 **WHEREAS**, one of the potential final steps in completing the  
16 regulatory closure process for the Property and the Site will be  
17 the execution of the Declaration of Restrictive Covenant, which  
18 will then allow the City and Developer respectively to obtain the  
19 Site Rehabilitation Completion Order with Conditions from FDEP; and

20 **WHEREAS**, supporting the Project will redevelop a vacant  
21 property in the Central Civic Core neighborhood, eliminate blight  
22 conditions in the area, and provide job opportunities to residents  
23 of the area; and

24 **WHEREAS**, a copy of the DIA Resolution authorizing the  
25 transaction is attached hereto as **Exhibit 1**; now, therefore

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

27 **Section 1. Approval and Authorization.** There is hereby  
28 approved and the Mayor, or his designee, and the Corporation  
29 Secretary, are hereby authorized to execute and deliver on behalf  
30 of the City: (1) the Purchase and Sale Agreement, deed and license  
31 agreement referenced therein between the City of Jacksonville and

1 Developer, in substantially the form placed **On File** with the  
2 Legislative Services Division (collectively, the "Agreements"), and  
3 all such other documents, necessary or appropriate to effectuate  
4 the purpose of this Ordinance (with such "technical" changes as  
5 herein authorized) and (2) authorize the placement of a Declaration  
6 of Restrictive Covenant and Engineering Control Maintenance Plan,  
7 in form and substance as agreed to by FDEP and the City engineer,  
8 and any other documents necessary to effectuate the purposes of the  
9 Declaration, so as to allow the City to place environmental  
10 restrictions on the Site.

11 The Agreements and related documents may include such  
12 additions, deletions and changes as may be reasonable, necessary  
13 and incidental for carrying out the purposes thereof, as may be  
14 acceptable to the Mayor, or his designee, with such inclusion and  
15 acceptance being evidenced by execution of the Agreement by the  
16 Mayor, or his designee; provided however, no modification to the  
17 Agreements may increase the financial obligations or liability of  
18 the City to an amount in excess of the amount stated in the  
19 Agreements or decrease the financial obligations or liability of  
20 the Developer, and any such modification shall be technical only  
21 and shall be subject to appropriate legal review and approval by  
22 the Office of General Counsel. For purposes of this Ordinance, the  
23 term "technical changes" is defined as those changes having no  
24 financial impact to the City, including, but not limited to,  
25 changes in legal descriptions or surveys, ingress and egress,  
26 easements and rights of way, design standards, access and site  
27 plan, resolution of title defects, if any, and other non-  
28 substantive changes that do not substantively increase the duties  
29 and responsibilities of the City under the provisions of the  
30 Agreements.

31 **Section 2. Oversight.** The Downtown Investment

1 Authority shall provide oversight and administration of the  
2 Agreements for the duration thereof.

3 **Section 3. Effective Date.** This Ordinance shall become  
4 effective upon signature by the Mayor or upon becoming effective  
5 without the Mayor's signature.

6  
7 Form Approved:

8  
9  /s/ John Sawyer

10 Office of General Counsel

11 Legislation Prepared By: John Sawyer

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