

Introduced by the Council President at the request of the Mayor:

ORDINANCE 2026-588

AN ORDINANCE MAKING CERTAIN FINDINGS, AND APPROVING AND AUTHORIZING THE EXECUTION OF AN ECONOMIC DEVELOPMENT AGREEMENT ("AGREEMENT") BETWEEN THE CITY OF JACKSONVILLE ("CITY") AND 8000-1 LLC ("COMPANY"), TO SUPPORT THE REDEVELOPMENT OF A VACANT OFFICE BUILDING INTO APPROXIMATELY 95 MARKET-RATE HOUSING UNITS LOCATED GENERALLY AT 8000 ARLINGTON EXPRESSWAY, UNIT 100, JACKSONVILLE, FLORIDA ("PROJECT"); AUTHORIZING A TEN-YEAR, 75% RECAPTURE ENHANCED VALUE (REV) GRANT OF NOT TO EXCEED \$1,000,000; APPROVING AND AUTHORIZING THE EXECUTION OF DOCUMENTS BY THE MAYOR, OR HER DESIGNEE, AND CORPORATION SECRETARY; AUTHORIZING APPROVAL OF TECHNICAL AMENDMENTS BY THE EXECUTIVE DIRECTOR OF THE OFFICE OF ECONOMIC DEVELOPMENT ("OED"); PROVIDING FOR OVERSIGHT BY THE OED; PROVIDING A DEADLINE FOR THE COMPANY TO EXECUTE THE AGREEMENT; REQUESTING A WAIVER OF THE PUBLIC INVESTMENT POLICY ADOPTED BY ORDINANCE 2024-286-E, AS AMENDED; PROVIDING AN EFFECTIVE DATE.

WHEREAS, Theotokos Holdings, LLC (the "Theotokos") previously entered into an economic development agreement with the City dated October 1, 2021 (as amended, the "Prior Agreement"), as authorized by Ordinance 2021-159-E, to redevelop a vacant and deteriorating office building into approximately 118 market rate rental apartments

1 within a designated Level II Distressed Area by December 31, 2024,
2 and authorizing a \$820,000 REV Grant to Theotokos based on an
3 anticipated capital investment of \$15,545,000; and

4 **WHEREAS**, Arlington Florida LP, successor to Theotokos, completed
5 the Project but incurred certain construction delays and with a
6 capital investment in excess of \$20,000,000 and the City and Theotokos
7 were negotiating in connection with the Prior Agreement and possible
8 new incentives for adjacent properties, but the Prior Agreement was
9 terminated by the City due to the construction delays; and

10 **WHEREAS**, the OED has negotiated the Agreement authorized hereby
11 with the property owner, 8000-1 LLC, that authorizes a \$1,000,000 REV
12 Grant to capture the increased capital investment required for the
13 Project. Accordingly, based upon the contents of the Agreement, it
14 has been determined that the Agreement and the uses contemplated
15 therein to be in the public interest, and that the public actions and
16 financial assistance contemplated in the Agreement take into account
17 and give consideration to the long-term public interests and public
18 interest benefits to be achieved by the City; and

19 **WHEREAS**, the Company has requested the City to enter into an
20 agreement in substantially the form placed **On File** with the Office
21 of Legislative Services; now therefore,

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

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

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

26 (b) The location of the Company's Project in Jacksonville,
27 Florida, is more particularly described in the Agreement. The Project
28 will promote and further the public and municipal purposes of the
29 City.

30 (c) Enhancement of the City's tax base and revenues, are matters
31 of State and City policy and State and City concern in order that the

1 State and its counties and municipalities, including the City, shall
2 not continue to be endangered by unemployment, underemployment,
3 economic recession, poverty, crime and disease, and consume an
4 excessive proportion of the State and City revenues because of the
5 extra services required for police, fire, accident, health care,
6 elderly care, charity care, hospitalization, public housing and
7 housing assistance, and other forms of public protection, services
8 and facilities.

9 (d) The provision of the City's assistance as identified in the
10 Agreement is necessary and appropriate to make the Project feasible;
11 and the City's assistance is reasonable and not excessive, taking
12 into account the needs of the Company to make the Project economically
13 and financially feasible, and the extent of the public benefits
14 expected to be derived from the Project, and taking into account all
15 other forms of assistance available.

16 (e) The Company is qualified to carry out and complete the
17 construction and equipping of the Project, in accordance with the
18 Agreement.

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

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

28 **Section 2. Economic Development Agreement Approved.** There
29 is hereby approved, and the Mayor and Corporation Secretary are
30 authorized to execute and deliver, for and on behalf of the City, an
31 agreement between the City and the Company, substantially in the form

1 placed **On File** with the Legislative Services Division (with such
2 "technical" changes as herein authorized), for the purpose of
3 implementing the recommendations of the OED.

4 The Agreement may include such additions, deletions and changes
5 as may be reasonable, necessary and incidental for carrying out the
6 purposes thereof, as may be acceptable to the Mayor, or her designee,
7 with such inclusion and acceptance being evidenced by execution of
8 the Agreement by the Mayor or her designee. No modification to the
9 Agreement may increase the financial obligations or the liability of
10 the City and any such modification shall be technical only and shall
11 be subject to appropriate legal review and approval of the General
12 Counsel, or his or her designee, and all other appropriate action
13 required by law. "Technical" is herein defined as including, but not
14 limited to, changes in legal descriptions and surveys, descriptions
15 of infrastructure improvements and/or any road project, ingress and
16 egress, easements and rights of way, performance schedules (provided
17 that no performance schedule may be extended for more than one year
18 without City Council approval) design standards, access and site
19 plan, which have no financial impact.

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

21 (a) The REV Grant shall not be deemed to constitute a debt,
22 liability, or obligation of the City or of the State of Florida or
23 any political subdivision thereof within the meaning of any
24 constitutional or statutory limitation, or a pledge of the faith and
25 credit or taxing power of the City or of the State of Florida or any
26 political subdivision thereof, but shall be payable solely from the
27 funds provided therefor as provided in this Section. The Agreement
28 shall contain a statement to the effect that the City shall not be
29 obligated to pay any installment of its financial assistance to the
30 Company except from the non-ad valorem revenues or other legally
31 available funds provided for that purpose, that neither the faith and

1 credit nor the taxing power of the City or of the State of Florida
2 or any political subdivision thereof is pledged to the payment of any
3 portion of such financial assistance, and that the Company, or any
4 person, firm or entity claiming by, through or under the Company, or
5 any other person whomsoever, shall never have any right, directly or
6 indirectly, to compel the exercise of the ad valorem taxing power of
7 the City or of the State of Florida or any political subdivision
8 thereof for the payment of any portion of such financial assistance.

9 (b) The Mayor, or her designee, is hereby authorized to and
10 shall disburse the annual installments of the REV Grant as provided
11 in this Section in accordance with this Ordinance and the Agreement.

12 **Section 4. Designation of Authorized Official/OED Contract**
13 **Monitor.** The Mayor is designated as the authorized official of the
14 City for the purpose of executing and delivering any contracts and
15 documents and furnishing such information, data and documents for the
16 Agreement and related documents as may be required and otherwise to
17 act as the authorized official of the City in connection with the
18 Agreement, and is further authorized to designate one or more other
19 officials of the City to exercise any of the foregoing authorizations
20 and to furnish or cause to be furnished such information and take or
21 cause to be taken such action as may be necessary to enable the City
22 to implement the Agreement according to its terms. The OED is hereby
23 required to administer and monitor the Agreement and to handle the
24 City's responsibilities thereunder, including the City's
25 responsibilities under such Agreement working with and supported by
26 all relevant City departments.

27 **Section 5. Further Authorizations.** The Mayor, or her
28 designee, and the Corporation Secretary, are hereby authorized to
29 execute and deliver the Agreement and all other contracts and
30 documents and otherwise take all necessary action in connection
31 therewith and herewith. The Executive Director of the OED, as contract

1 administrator, is authorized to negotiate and execute all necessary
2 changes and amendments to the Agreement and other contracts and
3 documents, to effectuate the purposes of this Ordinance, without
4 further Council action, provided such changes and amendments are
5 limited to amendments that are technical in nature (as described in
6 Section 2 hereof), and further provided that all such amendments
7 shall be subject to appropriate legal review and approval by the
8 General Counsel, or his or her designee, and all other appropriate
9 official action required by law.

10 **Section 6. Oversight Department.** The OED shall oversee the
11 Project described herein.

12 **Section 7. Execution of Agreement.** If the Agreement
13 approved by this Ordinance has not been signed by the Company within
14 ninety (90) days after the OED delivers or mails the unexecuted
15 Agreement to the Company for execution, then the City Council
16 approvals in this Ordinance and authorization for the Mayor to execute
17 the Agreement are automatically revoked; provided, however, that the
18 Executive Director of the OED shall have the authority to extend such
19 ninety (90) day period in writing at his discretion for up to an
20 additional ninety (90) days.

21 **Section 8. Waiver of Public Investment Policy.** The
22 following requirements of the Public Investment Policy adopted by
23 City Council Ordinance 2024-286-E, as amended, are hereby waived:
24 that in order to be eligible for a REV Grant a minimum of ten new
25 jobs must be created and the Project must be for a targeted industry
26 business.

27 **Section 9. Effective Date.** This Ordinance shall become
28 effective upon signature by the Mayor or upon becoming effective
29 without the Mayor's signature.
30
31

Form Approved:

/S/ John Sawyer

Office of General Counsel

Legislation Prepared By: John Sawyer

GC-#1766689-v1-Leg__2026-_8000-1_LLC_Arlington_Apts_-_Theotokis.docx