

CITY COUNCIL RESEARCH DIVISION LEGISLATIVE SUMMARY



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117 West Duval Street
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Jacksonville, FL 32202

Bill Type and Number: Ordinance 2026-541

Introducer/Sponsor(s): Council President at the request of the DIA

Date of Introduction: June 23, 2026

Committee(s) of Reference: NCSPHS, F

Date of Analysis: June 22, 2026

Type of Action: Agreement authorization; Economic development incentive; Provides for oversight

Bill Summary: This bill approves and authorizes the Mayor, or her designee, and the Corporation Secretary, and the CEO of the DIA, or his designee, as applicable, to execute a Redevelopment Agreement among the City of Jacksonville, the DIA, and 119 Beaver St W, LLC (the Developer) to support construction of a mixed-use residential and retail development (the Project) of approximately 259 residential units and approximately 37,000 square feet of ground-floor leasable retail space, including no less than 30,000 square feet designated for use by a Publix grocery store or other similarly well-known regional or national grocer approved by the DIA. The bill authorizes a seventy-five percent, seventeen-year REV Grant in a maximum amount not to exceed \$21,412,000, payable through the Downtown Northbank CRA Trust Fund, and approves a \$28,250,000 Completion Grant payable by the City in two installments upon completion of the Project, to be appropriated by subsequent legislation. The bill designates the DIA as contract monitor, provides for DIA oversight of the Project, and authorizes execution of all related documents and technical changes.

Background Information: Gateway Companies, LLC serves as the development manager and operator of 119 Beaver St W, LLC, which acquired property within the Downtown Northbank CRA (RE # 074033-0000) to design, construct, and operate the N7 mixed-use development, with a minimum capital investment of \$140,156,500. The DIA, which serves as the Community Redevelopment Agency for the Downtown Northbank CRA, approved Resolution 2025-12-02 recommending the incentives and authorizing its CEO to negotiate the Redevelopment Agreement. The Developer's funding request was analyzed under the Modified Underwriting Standards for ROI Calculation for High-Rise Residential and Hotel Mixed-Use Properties adopted by the DIA pursuant to Resolution 2024-05-04 and was found to comply. The Project is consistent with the Business Investment and Development Plan adopted pursuant to Ordinance 2022-0372-E, advancing Redevelopment Goal No. 2 (increasing rental and owner-occupied housing Downtown) and Redevelopment Goal No. 3 (increasing and diversifying retail, food and beverage, and entertainment establishments, including the addition of a major new grocer Downtown). As an inducement, the Developer agreed to provide a Public Benefit Payment to the City equal to a portion of the Project's pre-tax, levered net cash flow that exceeds a twenty percent internal rate of return on the Developer's equity. Technical changes to the Agreement, including performance-schedule extensions of up to twelve months at the discretion of the DIA's CEO and Board, are authorized without further Council action, subject to OGC review. If the Developer does not execute the Agreement within thirty days of the Ordinance's effective date, Council's authorization is automatically revoked, subject to a discretionary extension of up to an additional thirty days by the DIA's CEO.

Policy Impact Area: Economic Development; Downtown Redevelopment; Housing

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Fiscal Impact: No appropriation by this bill. Authorizes a REV Grant not to exceed \$21,412,000, payable solely from the Downtown Northbank CRA Trust Fund and not constituting a debt or obligation of the City; and a \$28,250,000 Completion Grant payable from the General Fund, subject to subsequent appropriation.

Analyst: Libby