

1 Introduced by Council President at the Request of the DIA:  
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4 **ORDINANCE 2024-452**

5 AN ORDINANCE APPROPRIATING \$7,600,000 FROM THE  
6 DEBT MANAGEMENT FUND AND AUTHORIZING THE  
7 APPROPRIATION FROM THE CITY'S COMMERCIAL PAPER  
8 FACILITY AND/OR THE ISSUANCE OF FIXED RATE DEBT  
9 TO PROVIDE A CONSTRUCTION LOAN TO FUQUA BCDC ONE  
10 RIVERSIDE PROJECT OWNER, LLC ("DEVELOPER"),  
11 ASSIGNEE OF FUQUA ACQUISITIONS II, LLC, PURSUANT  
12 TO THE SETTLEMENT AGREEMENT AND AMENDMENT TWO TO  
13 REDEVELOPMENT AGREEMENT AUTHORIZED HEREBY, AS  
14 INITIATED BY B.T. 24-113; AMENDING ORDINANCE  
15 2023-504-E, THE FISCAL YEAR 2023-2024 BUDGET  
16 ORDINANCE, TO REPLACE THE SECOND REVISED  
17 SCHEDULE B4, THE FY 23-24 DEBT MANAGEMENT FUND  
18 DETAIL, TO REFLECT THE APPROPRIATION OF FUNDS  
19 AUTHORIZED HEREIN; AUTHORIZING THE MAYOR, OR HER  
20 DESIGNEE, AND CORPORATION SECRETARY TO EXECUTE  
21 AND DELIVER, FOR AND ON BEHALF OF THE CITY: (1)  
22 A SETTLEMENT AGREEMENT BETWEEN THE CITY AND  
23 DEVELOPER IN CONNECTION WITH THE REDEVELOPMENT  
24 AGREEMENT DATED DECEMBER 20, 2021  
25 ("REDEVELOPMENT AGREEMENT"), PREVIOUSLY  
26 AUTHORIZED BY 2021-796-E; (2) AN AMENDMENT TWO  
27 TO REDEVELOPMENT AGREEMENT BY AND AMONG THE  
28 CITY, DOWNTOWN INVESTMENT AUTHORITY, DEVELOPER  
29 AND TBR ONE RIVERSIDE OWNER, LLC, AS PARTIAL  
30 ASSIGNEE OF DEVELOPER, AMENDING THE  
31 REDEVELOPMENT AGREEMENT AS PREVIOUSLY AMENDED BY

1 AMENDMENT ONE TO REDEVELOPMENT AGREEMENT DATED  
2 OCTOBER 12, 2022, AS AUTHORIZED BY ORDINANCE  
3 2022-493-E, (COLLECTIVELY, THE "AGREEMENT"), TO  
4 MODIFY THE PERFORMANCE SCHEDULE AND ASSOCIATED  
5 TERMS OF THE AGREEMENT AND AUTHORIZE THE  
6 CONSTRUCTION LOAN PURSUANT TO THE SETTLEMENT  
7 AGREEMENT; AND (3) LOAN DOCUMENTS AND RELATED  
8 DOCUMENTS AS DESCRIBED IN THE AGREEMENT;  
9 AUTHORIZING A CITY CONTRUCTION LOAN TO DEVELOPER  
10 IN THE AMOUNT OF \$7,600,000 AT ZERO PERCENT  
11 INTEREST FOR A TERM OF TWENTY-SEVEN MONTHS FOR  
12 THE PROJECT AS DESCRIBED IN THE AGREEMENT, WHICH  
13 LOAN MAY BE PARTIALLY FORGIVEN IN THE AMOUNT OF  
14 \$4,098,116.20 PROVIDED DEVELOPER SUBSTANTIALLY  
15 COMPLETES THE PHASE ONE RETAIL IMPROVEMENTS IN  
16 ACCORDANCE WITH THE AGREEMENT; AUTHORIZING THE  
17 EXECUTION OF ALL DOCUMENTS RELATING TO THE ABOVE  
18 AGREEMENTS AND TRANSACTIONS, AND AUTHORIZING  
19 TECHNICAL CHANGES TO THE DOCUMENTS; PROVIDING AN  
20 EFFECTIVE DATE.

21  
22 **WHEREAS**, the City of Jacksonville ("City"), Downtown Investment  
23 Authority ("DIA"), and Fuqua BCDC One Riverside Project Owner, LLC,  
24 as successor in interest to Fuqua Acquisitions II, LLC ("Developer"),  
25 entered into that certain Redevelopment Agreement dated December 20,  
26 2021, as authorized by Ordinance 2021-796-E, as amended by that  
27 certain Amendment One to Redevelopment Agreement dated October 12,  
28 2022, as authorized by Ordinance 2022-493-E (collectively, the  
29 "Agreement"), pursuant to which the Developer was to construct certain  
30 residential, retail, mixed-use and restaurant improvements, as  
31 further defined in the RDA, with a minimum required capital investment

1 of \$163,993,465; and

2       **WHEREAS**, the Developer has been diligently pursuing completion  
3 of the design and permitting elements and has commenced construction  
4 of certain residential improvements in accordance with the terms of  
5 the Agreement; and

6       **WHEREAS**, the Developer has asserted claims against the City for  
7 delays in completion of the McCoy's Creek Improvements by the City  
8 that have impacted the Project, and the City and the Developer have  
9 reached a Mediated Settlement Agreement to resolve these disputed  
10 issues and provide a path for completion of the Project; and

11       **WHEREAS**, the Developer, City and DIA desire to amend the  
12 Redevelopment Agreement to amend certain components of the  
13 performance schedule for both the City and Developer, redefine the  
14 McCoy's Creek Improvements project into phases with separate  
15 completion dates, authorize a temporary construction easement from  
16 the City to the Developer for the construction of an access road to  
17 the site, clarifying the definition of the Restaurant Improvements,  
18 and certain other changes as set forth in the amendment two authorized  
19 hereby, with all other terms and conditions remaining unchanged; and

20       **WHEREAS**, on May 15, 2024, the DIA approved a resolution (the  
21 "Resolution") to enter into an amendment two to the Agreement and  
22 related documents, said Resolution being attached hereto as **Exhibit**  
23 **1**; and

24       **WHEREAS**, it has been determined to be in the interest of the  
25 City and DIA to enter into the amendment two to the redevelopment  
26 agreement and related documents and approve of and adopt the matters  
27 set forth in this Ordinance; now therefore

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

29       **Section 1. Appropriation.** For the 2023-2024 fiscal year,  
30 within the City's budget, there are hereby appropriated the indicated  
31 sum(s) from the account(s) listed in subsection (a) to the account(s)

1 listed in subsection (b):

2 (B.T. 24-113 attached hereto as **Exhibit 2** and incorporated herein by  
3 this reference)

4 (a) Appropriated from:

5 See B.T. 24-113 \$7,600,000

6 (b) Appropriated to:

7 See B.T. 24-113 \$7,600,000

8 (c) Explanation of Appropriation: the appropriation above  
9 is appropriating \$7,600,000 from the Debt Management  
10 Fund, Long Term Debt Issued to provide a partially  
11 forgivable construction loan to the Developer pursuant  
12 to the Settlement Agreement and Amendment Two  
13 authorized hereby to partially fund the construction  
14 cost of the project as described in the Agreement.

15 **Section 2. Purpose of Appropriation.** The purpose of the  
16 appropriation is to fund the Loan required by the Mediated Settlement  
17 Agreement and resolve disputed legal issues and avoid potential  
18 litigation and liability related to the Project.

19 **Section 3. Amending Ordinance 2023-504-E, the FY 2023-2024**  
20 **Budget Ordinance, to replace the Second Revised Schedule B4 to Reflect**  
21 **the funding to the Developer for the Project.** Ordinance 2023-504-E,  
22 the FY 2023-2024 Budget Ordinance, is hereby amended to replace the  
23 Second Revised Schedule B4, entitled "FY 23-24 Debt Management Fund  
24 Detail", to reflect the funding of a \$7,600,000 construction loan to  
25 Developer for the Project. The Third Revised Schedule B4 is attached  
26 hereto as **Exhibit 3** and incorporated herein by this reference.

27 **Section 4. Authorizing the Borrowing and Appropriation of**  
28 **Funds from the City's Commercial Paper Program.** The City is hereby  
29 authorized to borrow under its Commercial Paper Program and/or issue  
30 fixed-rate debt in the maximum amount of up to \$7,600,000 and such  
31 funds are hereby appropriated to fund the construction loan consistent

1 with the Settlement Agreement and Agreements, defined below. The  
2 authorization set forth in this Section is subject to the requirements  
3 and prerequisites of the Commercial Paper Program and/or bond  
4 programs.

5       **Section 5. Settlement Approval and Authorization.** The  
6 Mediated Settlement Agreement between the City and Developer (the  
7 "Settlement Agreement") substantially in the form placed **On File** with  
8 the Legislative Services Division, is hereby approved in accordance  
9 with Section 112.307, *Ordinance Code*. The Mayor, or her authorized  
10 designee, and Corporation Secretary are hereby authorized to execute  
11 and deliver all documents and agreements necessary to affect the  
12 transaction contemplated by the Settlement Agreement (collectively,  
13 the "Documents"), including without limitation, escrow agreements and  
14 instructions, temporary construction easements, loan documents, and  
15 closing documents.

16       The Documents may include such statements or terms as may be  
17 reasonable, necessary, and incidental for carrying out the purposes  
18 thereof, as may be acceptable to the Mayor, or her designee, with  
19 such inclusion and acceptance being evidenced by execution of the  
20 Documents by the Mayor or her designee. The Documents may not increase  
21 the financial obligations or the liability of the City beyond what  
22 is contemplated by the Settlement Agreement or Amendment Two (defined  
23 below) and shall be subject to appropriate legal review and approval  
24 of the Office of General Counsel and all other appropriate action  
25 required by law.

26       **Section 6. Amendment Two to Redevelopment Agreement and**  
27 **Loan Documents Approved.** The Mayor, or her designee, and Corporation  
28 Secretary are hereby authorized to execute and deliver an Amendment  
29 Two to Redevelopment Agreement by and among the City of Jacksonville,  
30 Downtown Investment Authority, Fuqua BCDC One Riverside Project  
31 Owner, LLC, and TBR One Riverside Owner, LLC ("Amendment Two"),

1 substantially in the form placed **On File** with the Legislative Services  
2 Division, inclusive of loan documents for the construction loan  
3 authorized hereby (collectively, the "Agreements"), with such  
4 "technical" changes as herein authorized, for the purpose of  
5 implementing the matters set forth in this Ordinance. Amendment Two  
6 authorizes the construction loan, extends certain of the commencement  
7 dates, completion dates, and milestone dates of the Developer  
8 Performance Schedule and the City Performance Schedule (as such terms  
9 are defined in the Agreement), and makes additional technical changes  
10 related thereto.

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

27 **Section 7. Authorizing a \$7,600,000 Construction Loan to**  
28 **Developer.** A \$7,600,000 Construction Loan is hereby authorized  
29 pursuant to and in accordance with the terms and conditions of the  
30 Agreements.

31 **Section 8. Oversight Department.** The DIA shall administer

1 the Construction Loan and Project described herein.

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

16       **Section 10. Effective Date.** This Ordinance shall become  
17 effective upon signature by the Mayor or upon becoming effective  
18 without the Mayor's signature.

19

20 Form Approved:

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22     /s/John Sawyer

23 Office of General Counsel

24 Legislation prepared by: John Sawyer

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