

1 Introduced by the Council President at the request of the Mayor:
2
3

4 **ORDINANCE 2022-784**

5 AN ORDINANCE MAKING CERTAIN FINDINGS, AND
6 AUTHORIZING THE MAYOR, OR HIS DESIGNEE, TO
7 EXECUTE: (1) AN ECONOMIC DEVELOPMENT AGREEMENT
8 ("AGREEMENT") BETWEEN THE CITY OF JACKSONVILLE
9 ("CITY") AND THE VESTCOR COMPANIES, INC.
10 ("COMPANY"); AND (2) LOAN DOCUMENTS AND RELATED
11 DOCUMENTS AS DESCRIBED IN THE AGREEMENT, TO
12 SUPPORT THE DEVELOPMENT BY COMPANY AN
13 APPROXIMATELY 12 ACRE SITE LOCATED AT 8300
14 MERRILL ROAD IN THE CITY OF JACKSONVILLE
15 ("PROJECT"); AUTHORIZING A DEVELOPMENT LOAN IN
16 THE AMOUNT OF \$5,000,000 WITH A TERM OF
17 SEVENTEEN YEARS IN CONNECTION WITH THE PROJECT,
18 TO BE APPROPRIATED BY SUBSEQUENT LEGISLATION;
19 DESIGNATING THE OED AS CONTRACT MONITOR FOR THE
20 AGREEMENT AND RELATED AGREEMENTS; PROVIDING FOR
21 CITY OVERSIGHT OF THE PROJECT BY THE OED;
22 AUTHORIZING THE EXECUTION OF ALL DOCUMENTS
23 RELATING TO THE ABOVE AGREEMENTS AND
24 TRANSACTIONS, AND AUTHORIZING TECHNICAL CHANGES
25 TO THE DOCUMENTS; PROVIDING A DEADLINE FOR THE
26 COMPANY TO EXECUTE THE AGREEMENT AFTER THEY ARE
27 DELIVERED TO THE COMPANY; WAIVER OF THAT PORTION
28 OF THE PUBLIC INVESTMENT POLICY ADOPTED BY
29 ORDINANCE 2022-372-E, AS AMENDED, TO AUTHORIZE
30 A DEVELOPMENT LOAN THAT IS NOT CURRENTLY
31 AUTHORIZED BY THE PUBLIC INVESTMENT POLICY;

1 PROVIDING AN EFFECTIVE DATE.

2
3 **WHEREAS**, The Vestcor Companies, Inc. (the "Company") intends to
4 acquire certain real property located at 8300 Merrill Road within the
5 City, which the Company intends to develop into an approximately 240
6 unit mixed-income apartment community at an estimated cost of
7 \$56,500,000 (the "Project"), as further detailed in the Economic
8 Development Agreement ("Agreement") placed **On File** with the
9 Legislative Services Division; and

10 **WHEREAS**, the Company is seeking a balloon Development Loan in
11 the amount of \$5,000,000 payable upon substantial completion of the
12 Project, with a 1% interest rate and 17 year term; and

13 **WHEREAS**, the Office of Economic Development ("OED") has
14 considered the Company's request and has determined that the
15 Development Loan will enable the Company to redevelop the property
16 and complete the Project as further described in the Agreement; and

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

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

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

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

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

26 (c) The City's assistance for the Project will enable and
27 facilitate the Project, the Project will enhance and increase the
28 City's tax base and revenues, and the Project will improve the quality
29 of life necessary to encourage and attract business expansion in the
30 City.

31 (d) Enhancement of the City's tax base and revenues are matters

1 of State and City concern.

2 (e) The Company is qualified to carry out the Project.

3 (f) The authorizations provided by this Ordinance are for public
4 uses and purposes for which the City may use its powers as a
5 municipality and as a political subdivision of the State of Florida
6 and may expend public funds, and the necessity in the public interest
7 for the provisions herein enacted is hereby declared as a matter of
8 legislative determination.

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

12 **Section 2. Economic Development Agreement and Loan Documents**

13 **Approved.** The Mayor (or his authorized designee) and the Corporation
14 Secretary are hereby authorized to execute and deliver the Agreement
15 and the loan documents and related documents referenced therein
16 (collectively, the "Agreements") substantially in the form **On File**
17 with the Legislative Services Division (with such "technical" changes
18 as herein authorized), for the purpose of implementing the
19 recommendations of the OED as further described in the Agreement.

20 The Agreements may include such additions, deletions and changes
21 as may be reasonable, necessary and incidental for carrying out the
22 purposes thereof, as may be acceptable to the Mayor, or his designee,
23 with such inclusion and acceptance being evidenced by execution of
24 the Agreements by the Mayor or his designee. No modification to the
25 Agreements may increase the financial obligations or the liability of
26 the City or OED and any such modification shall be technical only and
27 shall be subject to appropriate legal review and approval of the
28 General Counsel, or his or her designee, and all other appropriate
29 action required by law. "Technical" is herein defined as including,
30 but not limited to, changes in legal descriptions and surveys,
31 descriptions of infrastructure improvements and/or any road project,

1 ingress and egress, easements and rights of way, performance schedules
2 (provided that no performance schedule may be extended for more than
3 twelve months without Council approval) design standards, access and
4 site plan, which have no financial impact.

5 **Section 3. Authorizing a Development Loan to Company.**

6 Subject to subsequent appropriation by Council, a \$5,000,000
7 Development Loan is hereby authorized pursuant to and in accordance
8 with the terms and conditions of the Agreement.

9 **Section 4. Designation of Authorized Official and OED as**

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

24 **Section 5. Oversight Department.** The OED shall oversee the
25 Project described herein.

26 **Section 6. Further Authorizations.** The Mayor, or his
27 designee, and the Corporation Secretary, are hereby authorized to
28 execute the Agreements and all other contracts and documents and
29 otherwise take all necessary action in connection therewith and
30 herewith. The Executive Director of the OED, as contract
31 administrator, is authorized to negotiate and execute all necessary

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

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

18 **Section 8. Waiver of Public Investment Policy.** The
19 requirements of the Public Investment Policy adopted by City Council
20 Ordinance 2022-372-E, as amended, are waived to authorize a
21 Development Loan that is not currently authorized under the Public
22 Investment Policy. The waiver is justified due to the fact that the
23 proposed Project is expected to generate a private capital investment
24 of approximately \$56,500,000, help meet the overall community goal
25 of affordable housing in Jacksonville, and increase ad valorem taxes
26 payable to the City and the Duval County School Board.

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:

1

2 /s/ John Sawyer

3 Office of General Counsel

4 Legislation Prepared By: John Sawyer

5 GC-#1530170-V2-Leg__2022-__Vestcor_-_Madison_Palms_EDA_Legislation.DOCX

6

7

8

9

10

11