

1 Introduced by Council Member Peluso:  
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4 **ORDINANCE 2026-149**

5 AN ORDINANCE APPROVING AND AUTHORIZING THE  
6 MAYOR, OR HER DESIGNEE, AND THE CORPORATION  
7 SECRETARY TO EXECUTE AND DELIVER, FOR AND ON  
8 BEHALF OF THE CITY: (1) A THIRD MORTGAGE  
9 MODIFICATION AGREEMENT AMONG THE CITY OF  
10 JACKSONVILLE ("CITY"), VCP-ROOSEVELT BUILDING,  
11 LTD., AND VCP-ROOSEVELT GARAGE, LLC; (2) A  
12 THIRD NOTE MODIFICATION AGREEMENT BETWEEN THE  
13 CITY AND VCP-ROOSEVELT BUILDING, LTD., FOR THE  
14 PURPOSE OF EXTENDING THE MATURITY DATE OF THE  
15 LOAN FROM MARCH 1, 2026 TO SEPTEMBER 1, 2026,  
16 THE ORIGINAL LOAN HAVING BEEN AUTHORIZED BY  
17 ORDINANCE 2001-795-E; (3) A FOURTH MORTGAGE  
18 MODIFICATION AGREEMENT BETWEEN THE CITY OF  
19 JACKSONVILLE AND VCP-LYNCH BUILDING, LTD.; AND  
20 (4) A FOURTH NOTE MODIFICATION AGREEMENT  
21 BETWEEN THE CITY OF JACKSONVILLE AND VCP-LYNCH  
22 BUILDING, LTD., FOR THE PURPOSE OF EXTENDING  
23 THE MATURITY DATE OF THE LOAN FROM MARCH 1,  
24 2026 TO SEPTEMBER 1, 2026, THE ORIGINAL LOAN  
25 HAVING BEEN AUTHORIZED BY ORDINANCE 2000-1079-  
26 E; REQUIRING AN ACKNOWLEDGMENT AND CONSENT OF  
27 GUARANTOR BY THE VESTCOR COMPANIES, INC. FOR  
28 EACH OF THE FOREGOING LOAN MODIFICATION  
29 AGREEMENTS AS A CONDITION OF CLOSING, TOGETHER  
30 WITH SUCH OTHER CLOSING DOCUMENTS AND  
31 TECHNICAL CHANGES AS MAY BE REQUIRED BY THE

1 GENERAL COUNSEL, OR HIS DESIGNEE, AND THE  
2 MAYOR'S OFFICE, PROVIDED THAT THE CITY'S COSTS  
3 ARE NOT INCREASED; PROVIDING FOR CITY  
4 OVERSIGHT BY THE DOWNTOWN INVESTMENT  
5 AUTHORITY; PROVIDING AN EFFECTIVE DATE.  
6

7 **WHEREAS**, on February 21, 2006, the City made a \$15,505,900  
8 loan (the "Roosevelt Loan") to VCP-Roosevelt Building, Ltd. ("VCP-  
9 Roosevelt") to enable it to renovate and convert to residential  
10 units the former hotel located at 31 West Adams Street then  
11 commonly known as the "Roosevelt Hotel Building" and now known as  
12 "The Carling"; and

13 **WHEREAS**, in connection with the Roosevelt Loan, the borrower  
14 VCP-Roosevelt on February 21, 2006, executed and delivered to the  
15 City the (a) Consolidated, Amended and Restated Promissory Note in  
16 the original principal amount of \$15,505,900 with a 20-year  
17 repayment term and an annual rate of interest of 1.4%, as modified  
18 by that certain Note and Modification Agreement effective March 1,  
19 2010, which provided for interest only payments ending on February  
20 1, 2013 (the "Roosevelt Note") and (b) Amended and Restated  
21 Mortgage, Security Agreement and Fixture Filing recorded at  
22 Official Records Book 13099, Page 1347 of the current public  
23 records of Duval County, Florida, as amended by that certain  
24 Mortgage Modification Agreement dated March 1, 2010 and recorded at  
25 Official Records Book 15612, Page 1888 of the current public  
26 records of Duval County, as modified by that certain Second  
27 Mortgage Modification Agreement dated October 1, 2013 (the  
28 "Roosevelt Mortgage"), securing the Roosevelt Note; and

29 **WHEREAS**, on June 30, 2003, the City made a \$17,816,000 loan  
30 (the "Lynch Loan") to VCP-Lynch Building, Ltd. (the "Borrower") to  
31 enable it to renovate and convert to residential units the former

1 office building located at the northeast corner of Main and Forsyth  
2 Streets, then known as the "Lynch Building" and now known as "11E";  
3 and

4 **WHEREAS,** in connection with the Lynch Loan, the Borrower  
5 executed and delivered to the City on June 30, 2003 the (a) Amended  
6 and Restated Promissory Note in the original principal amount of  
7 \$17,816,000 with a 20-year repayment term and an annual rate of  
8 interest of 1.525%, as modified by that certain Note Modification  
9 Agreement effective March 1, 2010, as further modified by that  
10 certain Second Note Modification Agreement effective October 1,  
11 2013 (collectively, the "Lynch Note"), and (b) Amended and  
12 Restated Mortgage, Assignment of Rents and Security Agreement dated  
13 June 30, 2003, as amended by that certain Mortgage Modification  
14 Agreement dated March 1, 2010, as further modified by that certain  
15 Second Mortgage Modification Agreement dated July 24, 2014, and as  
16 further modified by that certain Third Mortgage Modification  
17 Agreement dated June 30, 2023 (the "Lynch Mortgage"), securing the  
18 Lynch Note; and

19 **WHEREAS,** the Jacksonville Economic Development Commission,  
20 (since dissolved by City Ordinance 2012-212-E, with all rights and  
21 obligations of the JEDC transferred partly to the City and partly  
22 to the Downtown Investment Authority, with respect to the  
23 Jacksonville Downtown Area as defined in Chapter 55, Part 1,  
24 *Ordinance Code*) was tasked by the City with oversight of the  
25 Roosevelt Mortgage and Lynch Mortgage; and

26 **WHEREAS,** due to currently real estate and debt markets, the  
27 above borrowers VCP-Roosevelt and VCP-Lynch have each requested a  
28 modification of the respective loans by extending the maturity date  
29 of the respective loans for a period of six months, to September 1,  
30 2026 to permit borrowers to refinance or sell the projects while  
31 maintaining all other terms of the respective loans; and

1           **WHEREAS**, the terms and conditions of the foregoing  
2 modification of the Roosevelt Loan are described in the Third  
3 Mortgage Modification Agreement between the City and VCP-Roosevelt  
4 Building, Ltd. and VCP-Roosevelt Garage, LLC, and the Third Note  
5 Modification Agreement between the City of Jacksonville and VCP-  
6 Roosevelt Building, Ltd., in each case substantially in the form  
7 placed **On File** with the Legislative Services Division and  
8 incorporated herein by this reference; and

9           **WHEREAS**, the terms and conditions of the foregoing  
10 modification of the Lynch Loan are described in the Fourth Mortgage  
11 Modification Agreement between the City and VCP-Lynch Building,  
12 Ltd., and the Fourth Note Modification Agreement, in each case  
13 substantially in the form placed **On File** with the Legislative  
14 Services Division and incorporated herein by this reference; and

15           **WHEREAS**, on February 18, 2026, the Downtown Investment  
16 Authority Board approved Resolution 2026-02-08 to request that the  
17 City enter into the agreements and related documents as set forth  
18 herein, said Resolution being attached hereto as **Exhibit 1**; now  
19 therefore

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

21           **Section 1. Authorizing and Approving the Roosevelt Third**  
22 **Mortgage Modification Agreement and the Roosevelt Third Note**  
23 **Modification Agreement and the Lynch Fourth Mortgage Modification**  
24 **Agreement and the Lynch Fourth Note Modification Agreement.** The  
25 Council hereby approves and authorizes the Mayor, or her designee,  
26 and the Corporate Secretary to execute the following documents: (a)  
27 Roosevelt Third Mortgage Modification Agreement, (b) Roosevelt  
28 Third Note Modification Agreement, (c) Lynch Fourth Mortgage  
29 Modification Agreement, and (d) Lynch Fourth Note Modification  
30 Agreement, in each case substantially in the form placed **On File**  
31 with the Legislative Services Division (collectively, the

1 "Modification Agreements"), with such "technical" changes to such  
2 Modification Agreements as herein authorized. The Modification  
3 Agreements may include such additions, deletions, and changes as  
4 may be reasonable, necessary, and incidental for carrying out the  
5 purposes thereof, as may be acceptable to the Mayor or her designee  
6 with such inclusion and acceptance being evidenced by execution of  
7 the Modification Agreements by the Mayor or her designee. No  
8 modification to the Modification Agreements may increase the  
9 financial obligations or the liability of the City and any such  
10 modifications shall be technical only and shall be subject to  
11 appropriate legal review and approval by the General Counsel, or  
12 his designee, and all other appropriate action required by law  
13 ("technical" is herein defined as including, but not limited to,  
14 legal descriptions and surveys, ingress and egress, easements and  
15 rights of way, design standards, access and site plan). A copy of  
16 the final amortization schedule for the Roosevelt Loan and Lynch  
17 Loan are in the forms placed **On File** with the Legislative Services  
18 Division.

19 **Section 2. Requiring other Closing Documents.** As a  
20 condition to the City's execution of the Modification Agreements:  
21 (a) the guarantor of the Lynch Loan, The Vestcor Companies, Inc.,  
22 shall be required to execute and deliver to the City an  
23 Acknowledgement and Consent of Guarantor in a form approved by the  
24 General Counsel, or his designee, and the Mayor, or her designee;  
25 and (b) Borrower shall be required to execute and/or deliver to the  
26 City such additional closing documents and title insurance  
27 endorsements as may be required by the General Counsel, or his or  
28 her designee, and the Chief Executive Officer of the Downtown  
29 Investment Authority to protect the City's interests, and (c) the  
30 Borrower shall be required to pay all closing costs, including  
31 title and recording fees and documentary stamp taxes, if any.

1           **Section 3.           Further Authorizations.**       The Mayor, or her  
2   designee, and the Corporation Secretary are hereby authorized to  
3   execute the Modification Agreements and all other contracts and  
4   documents and otherwise take all necessary action in connection  
5   therewith and herewith. The Chief Executive Officer of the Downtown  
6   Investment Authority, as contract administrator, is authorized to  
7   negotiate and execute all necessary changes and amendments to the  
8   Modification Agreements and other contracts and documents to  
9   effectuate the purposes of this ordinance without further Council  
10  action, provided such changes and amendments are limited to  
11  "technical amendments" and do not change the financial obligations  
12  between the parties and, further provided, that all such amendments  
13  shall be subject to appropriate legal review and approval by the  
14  General Counsel, or his designee, and all other appropriate  
15  official action required by law. The term "technical amendments"  
16  as used in this section shall include, but not be limited to,  
17  changes in legal descriptions and surveys, description of  
18  infrastructure improvements and/or any road project, ingress and  
19  egress, easements and rights of way, design standards, vehicle  
20  access and site plan which have no financial impact.

21           **Section 4.           Departmental Oversight.**       The Downtown  
22  Investment Authority shall oversee the agreements described herein.

23           **Section 5.           Effective Date.**       This ordinance shall become  
24  effective upon signature by the Mayor or upon becoming effective  
25  without the Mayor's signature.

26  Form Approved:

27  
28  /S/ John Sawyer

29  Office of General Counsel

30  Legislation Prepared By: John Sawyer