

# CITY COUNCIL RESEARCH DIVISION

## LEGISLATIVE SUMMARY



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**Bill Type and Number:** Ordinance 2022-458

**Introducer/Sponsor(s):** Council President at the request of the Downtown Investment Authority

**Date of Introduction:** June 14, 2022

**Committee(s) of Reference:** NCSPHS, F

**Date of Analysis:** June 16, 2022

**Type of Action:** Redevelopment Agreement amendment

**Bill Summary:** This bill authorizes the First Amendment to the Redevelopment Agreement, originally dated October 19, 2021, by and among the City, the Downtown Investment Authority and Johnson Commons LLC. DIA has authorized this modification pursuant to DIA Resolution 2022-04-14, and DIA will be responsible for contract oversight.

**Background Information:** The Redevelopment Agreement (RDA) with Johnson Commons LLC contemplated the development of a minimum of 91 townhomes, a stand-alone building including a minimum of 10,000 square feet of ground level retail space, a new public right-of-way, and other related projects, through the disposition of a 3.45-acre parcel of real property located in the LaVilla area of Downtown Jacksonville. The RDA provided that upon the sale of each townhome, all net revenues in excess of \$250,250 would be split between the Company and the City. The purpose of this legislation is to increase the level above which net proceeds are split equally with the Developer from \$250,250 to \$320,000, due to an increase in construction costs and inflation. All other terms and conditions of the RDA remain in full force and effect and unchanged.

**Policy Impact Area:** DIA Redevelopment Agreement amendment – LaVilla neighborhood

**Fiscal Impact:** There is no appropriation of funds associated with this legislation, the developer will pay for all costs of vertical and horizontal development and construction. The City's financial contribution is in the form of the appraised value of land conveyed to the developer - \$3.58M. Estimated City Ad Valorem revenue is \$3,643,097 and, along with the \$150,000 contribution to Lift Ev'ry Voice and Sing Park, provides an ROI of 1.38.

**Analyst:** Hampsey