

1 Introduced by the Council President at the request of the Mayor:
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4 **ORDINANCE 2022-797-W**

5 AN ORDINANCE MAKING CERTAIN FINDINGS, AND
6 AUTHORIZING THE MAYOR, OR HIS DESIGNEE, TO
7 EXECUTE: (1) AN AMENDED AND RESTATED
8 REDEVELOPMENT AGREEMENT ("AGREEMENT") BETWEEN
9 THE CITY OF JACKSONVILLE ("CITY") AND
10 SPRINGFIELD LOFTS, LLC ("DEVELOPER"); AND (2)
11 LOAN DOCUMENTS AND RELATED DOCUMENTS AS
12 DESCRIBED IN THE AGREEMENT, TO SUPPORT THE
13 REDEVELOPMENT BY DEVELOPER AN APPROXIMATELY 2.12
14 ACRE SITE LOCATED AT 1341 PEARL STREET, 235 WEST
15 3RD STREET AND 205 WEST 3RD STREET, IN THE CITY
16 OF JACKSONVILLE ("PROJECT"); AUTHORIZING A
17 REDEVELOPMENT COMPLETION GRANT IN THE AMOUNT OF
18 \$1,500,000 TO THE DEVELOPER UPON SUBSTANTIAL
19 COMPLETION OF THE PROJECT, TO BE APPROPRIATED BY
20 SUBSEQUENT LEGISLATION; AUTHORIZING A
21 DEVELOPMENT LOAN IN THE AMOUNT OF \$1,500,000
22 WITH A TERM OF TWENTY YEARS IN CONNECTION WITH
23 THE PROJECT, TO BE APPROPRIATED BY SUBSEQUENT
24 LEGISLATION; DESIGNATING THE OED AS CONTRACT
25 MONITOR FOR THE AGREEMENT AND RELATED
26 AGREEMENTS; PROVIDING FOR CITY OVERSIGHT OF THE
27 PROJECT BY THE DEPARTMENT OF PUBLIC WORKS AND
28 THE OED; AUTHORIZING THE EXECUTION OF ALL
29 DOCUMENTS RELATING TO THE ABOVE AGREEMENTS AND
30 TRANSACTIONS, AND AUTHORIZING TECHNICAL CHANGES
31 TO THE DOCUMENTS; WAIVER OF THAT PORTION OF THE

1 PUBLIC INVESTMENT POLICY ADOPTED BY ORDINANCE
2 2022-372-E, AS AMENDED, TO AUTHORIZE A
3 REDEVELOPMENT COMPLETION GRANT AND A DEVELOPMENT
4 LOAN THAT ARE NOT CURRENTLY AUTHORIZED BY THE
5 PUBLIC INVESTMENT POLICY; PROVIDING AN EFFECTIVE
6 DATE.

7
8 **WHEREAS**, the City and Springfield Lofts, LLC (the "Developer")
9 previously entered into that certain redevelopment agreement dated
10 August 10, 2020 (as amended, the "Prior Agreement"), as authorized
11 by 2020-187-E, for the redevelopment of certain real property owned
12 by the Developer located at 1341 Pearl Street, 235 West 3rd Street
13 and 205 West 3rd Street within the City, which the Developer intends
14 to redevelop into approximately 78 residential units and 8,000 square
15 feet of commercial/office at an estimated cost of \$17,500,000 (the
16 "Project"), as further detailed in the Amended and Restated
17 Redevelopment Agreement ("Agreement") placed **On File** with the
18 Legislative Services Division; and

19 **WHEREAS**, the Prior Agreement authorized: (1) a Redevelopment
20 Completion Grant in the amount of \$1,000,000 payable upon substantial
21 completion of the Project; (2) a 10 year, 75% REV Grant in the maximum
22 amount of \$1,000,000; and (3) a Development Loan in the amount of
23 \$1,000,000 payable upon substantial completion of the Project, with
24 a 3% interest rate and 20 year term; and

25 **WHEREAS**, the anticipated capital investment for the Project has
26 increased from \$14,000,000 under the Prior Agreement to \$17,500,000,
27 and the Developer has requested to amend and restate the Prior
28 Agreement to eliminate the REV Grant entirely and to provide for: (1)
29 a \$1,500,000 Redevelopment Completion Grant payable upon substantial
30 completion of the Project; (2) a \$1,500,000 Development Loan payable
31 upon substantial completion of the Project, with a 3% interest rate

1 and 20 year term; and (3) extending the Commencement Date of the
2 Project to no later than December 31, 2023, with a Substantial
3 Completion Date of no later than June 30, 2025, with all other terms
4 remaining unchanged; and

5 **WHEREAS**, the Office of Economic Development ("OED") has
6 considered the Developer's requests and has determined that the
7 Redevelopment Completion Grant and Development Loan will enable the
8 Developer to redevelop the property and complete the Project as
9 further described in the Agreement; and

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

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

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

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

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

19 (c) The City's assistance for the Project will enable and
20 facilitate the Project, the Project will enhance and increase the
21 City's tax base and revenues, and the Project will improve the quality
22 of life necessary to encourage and attract business expansion in the
23 City.

24 (d) Enhancement of the City's tax base and revenues are matters
25 of State and City concern.

26 (e) The Developer is qualified to carry out the Project.

27 (f) The authorizations provided by this Ordinance are for public
28 uses and purposes for which the City may use its powers as a
29 municipality and as a political subdivision of the State of Florida
30 and may expend public funds, and the necessity in the public interest
31 for the provisions herein enacted is hereby declared as a matter of

1 legislative determination.

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

5 **Section 2. Redevelopment Agreement and Loan Documents Approved.**

6 The Mayor (or his authorized designee) and the Corporation Secretary
7 are hereby authorized to execute and deliver the Agreement and the
8 loan documents and related documents referenced therein
9 (collectively, the "Agreements") substantially in the form **On File**
10 with the Legislative Services Division (with such "technical" changes
11 as herein authorized), for the purpose of implementing the
12 recommendations of the OED as further described in the Agreement.

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

29 **Section 3. Payment of Redevelopment Completion Grant to**
30 **Developer.** The Redevelopment Completion Grant is hereby authorized,
31 and, subject to subsequent appropriation by Council, the City is

1 authorized to disburse the Redevelopment Completion Grant to the
2 Developer in an amount not to exceed \$1,500,000, pursuant to and as
3 set forth in the Agreement.

4 **Section 4. Authorizing a Development Loan to Developer.**

5 Subject to subsequent appropriation by Council, a \$1,500,000
6 Development Loan is hereby authorized pursuant to and in accordance
7 with the terms and conditions of the Agreement.

8 **Section 5. Designation of Authorized Official and OED as**
9 **Contract Monitor.** The Mayor is designated as the authorized official

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

23 **Section 6. Oversight Department.** The Department of Public
24 Works and the OED shall oversee the Project described herein.

25 **Section 7. Further Authorizations.** The Mayor, or his
26 designee, and the Corporation Secretary, are hereby authorized to
27 execute the Agreements and all other contracts and documents and
28 otherwise take all necessary action in connection therewith and
29 herewith. The Executive Director of the OED, as contract
30 administrator, is authorized to negotiate and execute all necessary
31 changes and amendments to the Agreements and other contracts and

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

8 **Section 8. Waiver of Public Investment Policy.** The
9 requirements of the Public Investment Policy adopted by City Council
10 Ordinance 2022-372-E, as amended, are waived to authorize a
11 Redevelopment Completion Grant and Development Loan that are not
12 currently authorized under the Public Investment Policy. The waiver
13 is justified due to the fact that the proposed Project is expected
14 to generate a private capital investment of approximately \$17,500,000
15 and increase ad valorem taxes payable to the City and Duval County
16 School Board.

17 **Section 9. Effective Date.** This Ordinance shall become
18 effective upon signature by the Mayor or upon becoming effective
19 without the Mayor's signature.

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21 Form Approved:

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23 /s/ John Sawyer

24 Office of General Counsel

25 Legislation Prepared By: John Sawyer

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