

1 Introduced by the Council President at the request of the DIA and
2 Co-Sponsored by Council Member Carlucci and Salem:

3
4
5 **ORDINANCE 2020-527**

6 AN ORDINANCE AUTHORIZING AND CREATING A NEW
7 PART 3 (DOWNTOWN PRESERVATION AND
8 REVITALIZATION PROGRAM), CHAPTER 55 (DOWNTOWN
9 INVESTMENT AUTHORITY), *ORDINANCE CODE*, TO
10 CREATE A NEW DOWNTOWN PRESERVATION AND
11 REVITALIZATION PROGRAM ("DPRP") AND GUIDELINES
12 THERETO TO INCENTIVIZE THE PRESERVATION AND
13 REVITALIZATION OF UNOCCUPIED OR DETERIORATING
14 HISTORIC AND QUALIFIED NON-HISTORIC BUILDINGS
15 IN DOWNTOWN JACKSONVILLE; AMENDING CHAPTER 111
16 (SPECIAL REVENUE AND TRUST ACCOUNTS), PART 9
17 (NEIGHBORHOOD DEVELOPMENT) SECTION 111.910
18 (DOWNTOWN HISTORIC PRESERVATION AND
19 REVITALIZATION TRUST FUND), *ORDINANCE CODE*,
20 TO: (1) REPLACE THE GUIDELINES GOVERNING THE
21 USE OF THE TRUST FUND WITH THE GUIDELINES
22 ATTACHED HERETO AS **EXHIBIT 2** (THE "HPRTF
23 GUIDELINES"); (2) AMENDING SECTION 111.910,
24 *ORDINANCE CODE*, TO REVISE ELIGIBILITY
25 REQUIREMENTS FOR THE TRUST FUND CONSISTENT
26 WITH THE HPRTF GUIDELINES, IN PART TO
27 AUTHORIZE THE DIA BOARD TO MAKE GRANTS IN THE
28 UP TO MAXIMUM AMOUNT OF \$100,000, CONSISTENT
29 WITH THE REQUIREMENTS OF THE HPRTF GUIDELINES;
30 AMENDING THE CITY'S PUBLIC INVESTMENT POLICY
31 AS PREVIOUSLY AUTHORIZED BY ORDINANCE 2016-

1 382-E, AS AMENDED, TO INCLUDE THE DPRP THEREIN
2 AND REVISE THE EXISTING DOWNTOWN HISTORIC
3 PRESERVATION AND REVITALIZATION TRUST FUND
4 PROGRAM TO BE CONSISTENT WITH THE TERMS AND
5 CONDITIONS OF THIS ORDINANCE; PROVIDING AN
6 EFFECTIVE DATE.

7
8 **WHEREAS**, pursuant to Ordinance 2002-395-E, the City Council
9 created the Downtown Historic Preservation and Revitalization Trust
10 Fund and adopted guidelines for its use that both imposed a
11 \$1,000,000 cap per eligible property and established percentages of
12 eligible expenditures to be used in determining grant amounts (the
13 "Program"); and

14 **WHEREAS**, despite the existence of the Program, many local
15 historic landmarks and other contributing structures eligible for
16 designation remain vacant and deteriorating, diminishing the value
17 and appearance of downtown Jacksonville; and

18 **WHEREAS**, over the last five years City Council has approved a
19 number of redevelopment incentives for historic properties that
20 waived the per property cap but were based on the eligible
21 percentages in the Program, and despite such approvals work on the
22 eligible properties has not begun; and

23 **WHEREAS**, the financial gap between rents achievable in
24 downtown Jacksonville and the cost of restoration and
25 rehabilitation make restoration and renovation of historic downtown
26 buildings economically infeasible without City assistance; and

27 **WHEREAS**, there are many older buildings in downtown
28 Jacksonville that are not historic landmarks but which remain
29 vacant due to the cost of code compliance upgrades, and renovations
30 that render the building capable of being put back into use are
31 valuable to downtown Jacksonville; and

1 **WHEREAS**, the timing and sequence of approvals currently
2 required under the Program result in delays in the development
3 process, further acting as a deterrent to historic designation and
4 investment in older properties in need of preservation and
5 revitalization; and

6 **WHEREAS**, DIA staff, in consultation with the City Planning and
7 Development Department, have prepared for consideration by City
8 Council a comprehensive replacement for the 2002 program that is
9 comprised of a new Downtown Preservation and Revitalization Program
10 created in a new Part 3 (Downtown Preservation and Revitalization
11 Program) to Chapter 55 (Downtown Investment Authority), *Ordinance*
12 *Code*, and by replacing the existing guidelines and making revisions
13 to Section 111.910 (Downtown Historic Preservation and
14 Revitalization Trust Fund), *Ordinance Code*, as set forth herein as
15 authorized by this Ordinance; now, therefore

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

17 **Section 1. Creating a new Part 3 (Downtown Preservation and**
18 **Revitalization Program), Chapter 55 (Downtown Investment**
19 **Authority), Ordinance Code.** A new Part 3 (Downtown Preservation and
20 Revitalization Program), Chapter 55 (Downtown Investment
21 Authority), *Ordinance Code*, is hereby created to read as follows:

22 **CHAPTER 55. DOWNTOWN INVESTMENT AUTHORITY**

23 * * *

24 **PART 3. DOWNTOWN PRESERVATION AND REVITALIZATION PROGRAM**

25 **Sec. 55.301. Intent.**

26 The intent of the Downtown Preservation and Revitalization
27 Program ("DPRP") is to foster the preservation and revitalization
28 of unoccupied, underutilized, and/or deteriorating historic, and
29 qualified non-historic, buildings located in downtown Jacksonville.
30 The DPRP is designed to serve historic projects applying for in
31 excess of 100,000, and non-historic code compliance projects.

1 **Sec. 55.302. Authority.**

2 The DIA is authorized to develop and administer the DPRP
3 pursuant to this Part 3, *Ordinance Code*, and its BID Plan and in
4 furtherance of the adopted community redevelopment area goals,
5 including but not limited to:

6 1. Redevelopment Goal No. 1: Reinforce Downtown as the
7 City's unique epicenter for business, history, culture, education,
8 and entertainment.

9 2. Redevelopment Goal No. 2: Increase rental and owner-
10 occupied housing downtown, targeting key demographic groups seeking
11 a more urban lifestyle.

12 **Sec. 55.303. Downtown Preservation and Revitalization Program.**

13 In administering the DPRP, the DIA shall follow the Downtown
14 Preservation and Revitalization Program Guidelines ("DPRP
15 Guidelines") on file with the Legislative Services Division. All
16 projects must be located within the DIA boundary area and comply
17 with the general program requirements and other requirements as set
18 forth in the DPRP Guidelines. As further detailed in the DPRP
19 Guidelines, the DPRP has three general components for which funding
20 will be considered:

21 1. Historic Preservation Restoration and Rehabilitation
22 Forgivable Loan ("HPRR Forgivable Loan");

23 2. Code Compliance Renovations Forgivable Loan ("CCR
24 Forgivable Loan"); and

25 3. Downtown Preservation and Revitalization Program Gap Loan
26 ("DPRP Gap Loan").

27 The DPRP program will be administered in the form of a
28 forgivable loan or loans and each project will require City Council
29 approval. All funds will be disbursed upon completion of
30 improvements subject to cost verification and other approvals as
31 specified in the DPRP Guidelines.

1 purpose of this Section, the dollar amounts in all applications for
2 loans or grants for any one project submitted within five years of
3 the first loan or grant approved under this fund for the project,
4 shall be aggregated to determine if the loan or grant amount
5 exceeds \$~~100~~50,000, ~~and therefore requires Council approval~~. All
6 monies and interest placed into this trust fund are hereby
7 appropriated for the purposes of this trust fund, and all
8 appropriations shall carry forward each fiscal year and shall not
9 lapse.

10 (b) *Fund administration.* The DIA and the Planning and
11 Development Department Historic Preservation Section shall follow
12 the Downtown Historic Preservation and Revitalization Trust Fund
13 Guidelines ("~~HPRTF~~ Guidelines") on file with the Office of
14 Legislative Services. The Historic Preservation Section shall
15 review and approve the design aspect of the application, and the
16 DIA shall review and approve the application and administer fund
17 allocation. Changes to the HPRTF Guidelines which have financial
18 impact shall be jointly approved by the DIA and the Historic
19 Preservation Section and shall be submitted to the Council for
20 approval. Approved applicants may receive financial assistance
21 through grant ~~and/or loan~~ programs as set forth in the HPRTF
22 Guidelines. ~~Grant and/or L~~loan programs shall be jointly created by
23 ~~the DIA and the Historic Preservation Section in accordance with~~
24 ~~the guidelines; provided, however that T~~trust funds may only be
25 used for one or more of the purposes specified in subsection (e).
26 ~~Additionally, in the event bond proceeds are to be used for these~~
27 ~~projects, the Historic Preservation Section and, if necessary, the~~
28 ~~bond counsel for the City shall make an initial recommendation as~~
29 ~~to whether a specific public purpose or purposes shall be furthered~~
30 ~~by the particular project for which an application for funds has~~
31 ~~been submitted.~~

1 (c) Planning and Development Department Historic
2 Preservation Section review. To receive assistance from the fund,
3 the owner of a historic building, or his or her agent, shall submit
4 ~~a design~~ an application to the Planning and Development Department
5 Historic Preservation Section for designation as a local landmark
6 unless already designated, and an application to the Historic
7 Preservation Section for a Certificate of Appropriateness for the
8 improvements proposed, in accordance with the HPRTF Guidelines
9 ~~approval~~. The Historic Preservation Section shall review the
10 landmark designation application for eligibility. Only historic
11 buildings located within the DIA boundary~~downtown~~ area ~~as depicted~~
12 ~~in the guidelines~~ and which meet one of the following criteria
13 shall be eligible to make application for assistance from the fund:

14 (1) The building is a local landmark, designated by the City
15 pursuant to Chapter 307, Ordinance Code; or

16 (2) The building is a contributing structure to a local
17 historic district, designated by the City pursuant to Chapter 307,
18 Ordinance Code; or

19 (3) The building has been declared a potential local
20 landmark, as defined in Chapter 307, Ordinance Code, however final
21 local landmark designation must be obtained from City Council prior
22 to final approval of the grant by DIA ~~from the council prior to~~
23 ~~final approval of the application.~~

24 The Historic Preservation Section shall also review the
25 application for the Certificate of Appropriateness for compliance
26 with the United States Secretary of Interior's Standards for
27 Rehabilitation and any applicable historic preservation design
28 guidelines and shall issue an approval, denial, or approval with
29 conditions. The Historic Preservation Section shall evaluate
30 applications based on the project's historic importance and
31 significance, the overall contribution of the project to the

1 restoration of the historic fabric, and the overall preservation of
2 the building. The Historic Preservation Section shall forward its
3 recommendation and actions on the Certificate of Appropriateness
4 application to the DIA in accordance with the HPRTF Guidelines
5 ~~approved projects with comments to the DIA for final processing of~~
6 ~~the application. In the event bond proceeds are used for these~~
7 ~~projects, if necessary, an opinion from the bond counsel for the~~
8 ~~City shall be obtained approving the intended use of proceeds prior~~
9 ~~to any obligation being incurred for the expenditure of such funds.~~

10 (d) DIA review. To receive a grant from the fund, the owner
11 of a historic building, or his or her agent, shall submit, in
12 accordance with the HPRTF Guidelines, an application to the DIA for
13 the grant requested. ~~Upon determination of eligibility by the~~
14 ~~Historic Preservation Section, the Downtown Development Authority~~
15 ~~and the DIA shall analyze the specific finances of the project for~~
16 ~~the express purpose of determining whether or not to engage in a~~
17 ~~redevelopment agreement between the City and the applicant.~~

18 (e) *Fund programs.* The owner of a historic building which
19 meets the eligibility requirements in subsection (c), or his or her
20 agent, may apply for assistance from the fund in the form of ~~loans~~
21 ~~or~~ grants for eligible improvements under the HPRTF Guidelines
22 which include restoration or rehabilitation of the building
23 exterior, restoration of historic features on the building
24 interior, rehabilitation of the building interior, code compliance
25 improvements and general requirements and overhead of the general
26 contractor, as further detailed in the HPRTF Guidelines. ~~under one~~
27 ~~or more of the following programs:~~

28 ~~(1) Facade and exterior rehabilitation and restoration~~
29 ~~programs, which shall be used for design assistance and~~
30 ~~construction to improve and restore the facades of eligible~~
31 ~~historic buildings. This program may be limited to target areas,~~

1 as may be established by DIA and the Historic Preservation
2 Section, within the downtown area to maximize the visual impact
3 of the improvements.

4 ~~(2) Code improvement programs, which shall be used to~~
5 ~~bring eligible historic buildings into compliance with the~~
6 ~~current building and/or fire codes in the City.~~

7 ~~(3) Interior rehabilitation and restoration programs,~~
8 ~~which shall be used for preservation, restoration,~~
9 ~~rehabilitation and adaptive reuse of eligible historic~~
10 ~~buildings, including but not limited to architectural features~~
11 ~~such as staircases, ceilings, and wall panels.~~

12 (f) *Final inspection.* A final inspection to ensure compliance
13 with the terms of the approved Certificate of Appropriateness and
14 trust fund grant application shall be conducted within 930 days
15 following completion of the project. The final inspection shall be
16 conducted by, or at the direction of the Planning and Development
17 Department Historic Preservation Section staff. All projects shall
18 comply with meet the HPRTF Guidelines and criteria established
19 herein. An applicant whose project fails to meet these HPRTF
20 Guidelines and criteria set forth herein shall be required to
21 repay the City any amounts received under a grant and/or loan
22 program, less any payments made thereunder. The inspection required
23 by this subsection shall not replace or supercede any other
24 inspection required by local, State, or federal law.

25 **Section 3. DIA Downtown Preservation and Revitalization**
26 **Loan Program Guidelines.** The DIA Downtown Preservation and
27 Revitalization Loan Program Guidelines (the "DPRP Guidelines"),
28 attached hereto as **Exhibit 1**, are hereby placed **On File** with the
29 Legislative Services Division. The DPRP Guidelines shall be the
30 operative guidelines for projects in excess of \$100,000, which

1 shall require Council approval, and until the DPRP Guidelines are
2 amended by future Council action.

3 **Section 4. Downtown Historic Preservation and**
4 **Revitalization Trust Fund Guidelines.** The Downtown Historic
5 Preservation and Revitalization Trust Fund Guidelines (the "HPRTF
6 Guidelines"), attached hereto as **Exhibit 2**, are hereby placed **On**
7 **File** with the Legislative Services Division and shall replace the
8 guidelines authorized by Ordinance 2002-395-E. The HPRTF
9 Guidelines shall be the operative guidelines for projects funded by
10 the Downtown Historic Preservation and Revitalization Trust Fund
11 unless and until the HPRTF Guidelines are amended by future Council
12 action.

13 **Section 5. Approval and Authorization of Amendment to the**
14 **Public Investment Policy.** The Council hereby approves and
15 authorizes an amendment to the Public Investment Policy as
16 originally authorized by Ordinance 2016-382-E, as amended, to: (i)
17 amend the DIA Downtown Historic Preservation and Revitalization
18 Trust Fund (DHPTF) program of the Public Investment Policy of the
19 Office of Economic Development as set forth in the form of the
20 draft dated July 30, 2020 (the "DIA Downtown Historic Preservation
21 and Revitalization Trust Fund Program"), a copy of which is
22 attached hereto as **Exhibit 3** and incorporated herein by reference;
23 and (ii) create a new Downtown Preservation and Revitalization
24 Program to be inserted into the Public Investment Policy, the
25 details of which are in the form of the draft dated August 14, 2020
26 (the "DIA Downtown Preservation and Revitalization Program"), a
27 copy of which is attached hereto as **Exhibit 4** and incorporated
28 herein by reference.

29 **Section 6. No Other Changes.** Except as provided herein,
30 there are no other changes or amendments to the Public Investment
31 Policy approved by Ordinance 2016-382-E, as amended.

1 **Section 7. Phase-in period.** For a period of 90 days
2 following the effective date of this Ordinance, an applicant shall
3 have the option of submitting an application for consideration
4 under the 2002 guidelines and the existing Chapter 111.910,
5 *Ordinance Code*, trust fund criteria or under the new programs and
6 guidelines adopted hereby.

7 **Section 8. Effective Date.** This Ordinance shall become
8 effective upon signature by the Mayor or upon becoming effective
9 without the Mayor's signature.

10
11 Form Approved:

12
13 /s/ James R. McCain, Jr.

14 Office of General Counsel

15 Legislation Prepared By: John Sawyer

16 GC-#1379372-v4-Leg__DIA_-_amending_Section_111_910.docx