CITY COUNCIL RESEARCH DIVISION
LEGISLATIVE SUMMARY

STEVEN LIBBY
Research Assistant
(904) 255-5147
SLibby@coj.net

117 West Duval Street
City Hall, Suite 425
Jacksonville, FL 32202

Bill Type and Number: Ordinance 2026-637

Introducer/Sponsor(s): Council President at the request of the Mayor

Date of Introduction: August 11, 2026

Committee(s) of Reference: NCSPHS, F

Date of Analysis: August 10, 2026

Type of Action: Settlement agreement approval; Provides for oversight

Bill Summary: This bill approves and authorizes the Mayor, or her designee, and the Corporation Secretary to execute and deliver a Settlement Agreement between Cedar Grove Corporation and the City of Jacksonville. The Agreement provides that the Company will pay the City $125,000.00 in exchange for satisfaction of the mortgage and judgment held by the City. Upon receipt, the settlement funds shall be deposited in the Northwest Jacksonville Economic Development Fund. The Neighborhoods Department will oversee the Agreement.

Background Information: The Company received a loan in the original principal amount of $125,000.00 from the City, secured by a third mortgage, a collateral assignment of rents, and personal guaranties. The Company defaulted on repayment, and the City obtained a judgment against the Company on July 18, 2017 for the unpaid principal of $116,231.99, along with fees, interest, and $29,400.00 of related grant money. A Final Discharge in Bankruptcy was entered in favor of the guarantors on December 28, 2023, rendering the guaranties uncollectible. The bill states that the City's recovery of the judgment amount through a foreclosure action or otherwise is uncertain and that, to avoid further litigation, collection costs, and uncertainty, the City and the Company reached a full and final settlement resolving all claims relating to the loan and judgment.

Policy Impact Area: Litigation Settlement; Economic Development

Fiscal Impact: There is no cost to the City. The City will receive $125,000.00 in settlement funds, to be deposited in the Northwest Jacksonville Economic Development Fund.

Analyst: Libby