

**CITY COUNCIL RESEARCH DIVISION
LEGISLATIVE SUMMARY**



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Bill Type and Number: Ordinance 2022-452

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: Authorization of economic redevelopment agreement; authorizing downtown preservation and revitalization loans; designating oversight agency

Bill Summary: The bill authorizes execution of a redevelopment agreement between the Downtown Investment Authority and 323 E Bay Street RE LLC for the renovation and rehabilitation of a historic building located at 323 E. Bay Street downtown. It authorizes the award of a Historic Preservation Restoration and Rehabilitation Forgivable Loan, a Code Compliance Renovations Forgivable Loan, and a Deferred Principal Loan in an aggregate amount not to exceed \$1,536,350 for exterior and interior rehabilitation and restoration, and Code required improvements in support of the Project. The DIA is designated as the City's oversight agency for the project.

Background Information: 323 E Bay Street RE LLC proposes to rehabilitate and reuse the building at 323 East Bay Street for a 10,400 square foot live music entertainment venue. The renovations will include, but are not limited to, window replacement, addition of an ADA accessibility lift, replacement of an exit stairwell, interior ADA work, installation of a fire alarm and sprinkler system, interior bathroom remodeling, siding repairs, and painting. City funding will be in the form of: 1) two forgivable loans totaling \$1,038,207 for Code compliance and restoration/rehabilitation, with the loans forgiven at a rate of 20% per year (with standard clawback provisions in effect); 2) a deferred principal loan of \$498,142, which requires annual interest payments with the principal repaid at maturity in 10 years. Appropriation of the funding for the loans will be made by separate legislation following completion of the project.

Policy Impact Area: Downtown historic building revitalization

Fiscal Impact: Authorizes a total of \$1,536,350 in assistance via 2 forgivable loans and a deferred principal loan

Analyst: Clements