

1 Introduced by the Council President at the request of the DIA:  
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4 **ORDINANCE 2022-319**

5 AN ORDINANCE MAKING CERTAIN FINDINGS, AND  
6 APPROVING AND AUTHORIZING THE CHIEF EXECUTIVE  
7 OFFICER OF THE DOWNTOWN INVESTMENT AUTHORITY, OR  
8 HER DESIGNEE, TO EXECUTE A REDEVELOPMENT  
9 AGREEMENT ("AGREEMENT") BETWEEN THE DOWNTOWN  
10 INVESTMENT AUTHORITY ("DIA") AND EAST UNION  
11 HOLDINGS, LLC ("OWNER"), TO SUPPORT THE  
12 RENOVATION AND REHABILITATION BY OWNER OF THE  
13 BUILDING KNOWN GENERALLY AS THE UNION TERMINAL  
14 WAREHOUSE, LOCATED AT 700 UNION STREET (THE  
15 "PROJECT"); AUTHORIZING THREE DOWNTOWN  
16 PRESERVATION AND REVITALIZATION PROGRAM  
17 ("DPRP") LOANS, IN AN AGGREGATE AMOUNT NOT TO  
18 EXCEED \$8,285,793.00, TO THE OWNER IN CONNECTION  
19 WITH THE REDEVELOPMENT OF THE PROJECT, TO BE  
20 APPROPRIATED BY SUBSEQUENT LEGISLATION;  
21 DESIGNATING THE DIA AS CONTRACT MONITOR FOR THE  
22 AGREEMENT; PROVIDING FOR OVERSIGHT OF THE  
23 PROJECT BY THE DIA; AUTHORIZING THE EXECUTION OF  
24 ALL DOCUMENTS RELATING TO THE ABOVE AGREEMENT  
25 AND TRANSACTIONS, AND AUTHORIZING TECHNICAL  
26 CHANGES TO THE DOCUMENTS; PROVIDING AN EFFECTIVE  
27 DATE.

28  
29 **WHEREAS**, pursuant to Chapter 55, Part 3 (Downtown Preservation  
30 and Revitalization Program), *Ordinance Code*, the City of Jacksonville  
31 ("City") established the Downtown Preservation and Revitalization

1 Program for purposes of fostering the preservation and revitalization  
2 of certain historic and qualified non-historic, buildings located in  
3 Downtown Jacksonville; and

4 **WHEREAS**, East Union Holdings, LLC (the "Owner") owns certain  
5 real property, inclusive of the Union Terminal Warehouse, located at  
6 700 Union Street, on which Owner intends to cause the renovation and  
7 rehabilitation of the building, as further detailed in the Agreement;  
8 and

9 **WHEREAS**, the Owner is seeking to secure Downtown Preservation  
10 and Revitalization Program loans consisting of a Historic  
11 Preservation Restoration and Rehabilitation Forgivable Loan, a Code  
12 Compliance Renovations Forgivable Loan, and a Deferred Principal Loan  
13 on each building comprising the Project in an aggregate amount not  
14 to exceed \$8,285,793.00 (each, a "DPRP Loan") for exterior and  
15 interior rehabilitation and restoration, and Code required  
16 improvements in support of the Project; and

17 **WHEREAS**, the scope of the Project will include redevelopment and  
18 renovation of the 330,000 square foot Union Terminal Warehouse to  
19 provide a minimum of 220 dwelling units, a minimum of 38,000 square  
20 feet of commercial space, inclusive of maker/artist studios, and  
21 other ancillary space and amenities (collectively, the  
22 "Improvements"); and

23 **WHEREAS**, the Project will also include improvements related to  
24 restoring the property to historic standards, preserving and  
25 maintaining the integrity of the structures, and meeting certain code  
26 compliance requirements to make the property more accessible and  
27 functional; and

28 **WHEREAS**, historic preservation, revitalization, and the reuse  
29 of Jacksonville's historic buildings and structures are important to  
30 the City's overall social and economic welfare; and

31 **WHEREAS**, the DIA has considered the Owner's requests and has

1 determined that the DPRP Loans will enable the Owner to restore and  
2 rehabilitate the historic structures and construct the Project as  
3 described in the Agreement; and

4 **WHEREAS**, the DIA has approved its Resolution 2021-05-04,  
5 Resolution 2022-03-06, and Resolution 2022-04-12 (collectively, the  
6 "Resolutions") to enter into the Agreement, said Resolutions being  
7 attached hereto as **Composite Exhibit 1**; and

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

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

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

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

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

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

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

24 (e) The Owner is qualified to carry out the Project.

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

31 (g) This Ordinance is adopted pursuant to the provisions of

1 Chapters 163, 166 and 125, Florida Statutes, as amended, the City's  
2 Charter, and other applicable provisions of law.

3 **Section 2. Redevelopment Agreement Approved and Execution**  
4 **Authorized.** There is hereby approved, and the Chief Executive Officer  
5 of the DIA, or her designee, is hereby authorized to execute and  
6 deliver the Redevelopment Agreement substantially in the form placed  
7 **On File** with the Office of Legislative Services (with such "technical"  
8 changes as herein authorized), for the purpose of implementing the  
9 recommendations of the DIA as further described in the Agreement.

10 The Agreement may include such additions, deletions and changes  
11 as may be reasonable, necessary and incidental for carrying out the  
12 purposes thereof, as may be acceptable to the Chief Executive Officer  
13 of the DIA, or her designee, with such inclusion and acceptance being  
14 evidenced by execution of the Agreement by the Chief Executive Officer  
15 of the DIA, or her designee. No modification to the Agreement may  
16 increase the financial obligations or the liability of the City or  
17 DIA and any such modification shall be technical only and shall be  
18 subject to appropriate legal review and approval of the General  
19 Counsel, or his or her designee, and all other appropriate action  
20 required by law. "Technical" is herein defined as including, but not  
21 limited to, changes in legal descriptions and surveys, descriptions  
22 of infrastructure improvements and/or any road project, ingress and  
23 egress, easements and rights of way, performance schedule extensions  
24 of up to six (6) months in the discretion of the CEO of the DIA,  
25 design standards, access and site plan, which have no financial  
26 impact.

27 **Section 3. Payment of DPRP Loans to Owner.** The DPRP Loans  
28 are hereby authorized, and, subject to subsequent appropriation by  
29 the City Council for the Project, the City is authorized to disburse  
30 the DPRP Loans to the Owner in an aggregate amount not to exceed  
31 \$8,285,793.00, pursuant to and as set forth in the Agreement.

1 The DPRP Loans for the Improvements at the Union Terminal  
2 Warehouse are comprised of a Historic Preservation Restoration and  
3 Rehabilitation Forgivable ("HPRR") Loan in the not-to-exceed amount  
4 of \$4,246,963.00, a Code Compliance Forgivable ("CCR") Loan in the  
5 not-to-exceed amount of \$2,381,671.00, with said HPRR and CCR Loans  
6 forgiven at a rate of 20% per year (with claw back provisions provided  
7 in the Agreement), and a Deferred Principal Loan in the not-to-exceed  
8 amount of \$1,657,159.00 which requires interest payments annually  
9 with principal to be repaid at maturity (10 years from the date of  
10 funding).

11 **Section 4. Designation of Authorized Official and DIA as**  
12 **Contract Monitor.** The Chief Executive Officer of the DIA is  
13 designated as the authorized official of the City for the purpose of  
14 executing and delivering the Agreement and is further designated as  
15 the authorized official of the City for the purpose of executing any  
16 additional contracts and documents and furnishing such information,  
17 data and documents for the Agreement and related documents as may be  
18 required and otherwise to act as the authorized official of the City  
19 in connection with the Agreement, and take or cause to be taken such  
20 action as may be necessary to enable the City to implement the  
21 Agreement according to its terms. The DIA is hereby further required  
22 to administer and monitor the Agreement and to handle the City's  
23 responsibilities thereunder, including the City's responsibilities  
24 under such Agreement working with and supported by all relevant City  
25 departments.

26 **Section 5. Oversight Department.** The Downtown Investment  
27 Authority shall oversee the Project described herein.

28 **Section 6. Further Authorizations.** The Chief Executive  
29 Officer of the DIA, or her designee, is hereby authorized to execute  
30 the Agreement and otherwise take all necessary action in connection  
31 therewith and herewith. The Chief Executive Officer of the DIA is

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

10 **Section 7. Effective Date.** This Ordinance shall become  
11 effective upon signature by the Mayor or upon becoming effective  
12 without the Mayor's signature.  
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16 Form Approved:

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18         /s/ Joh Sawyer        

19 Office of General Counsel

20 Legislation Prepared By: John Sawyer

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