

1 Introduced by the Council President at the request of the Downtown
2 Investment Authority:

3
4 **ORDINANCE 2022-458-E**

5 AN ORDINANCE MAKING CERTAIN FINDINGS, AND
6 APPROVING AND AUTHORIZING THE MAYOR OR HIS
7 DESIGNEE AND CORPORATION SECRETARY TO EXECUTE
8 AND DELIVER A FIRST AMENDMENT TO REDEVELOPMENT
9 AGREEMENT ("AMENDMENT") BY AND AMONG THE CITY OF
10 JACKSONVILLE ("CITY"), THE DOWNTOWN INVESTMENT
11 AUTHORITY ("DIA"), AND JOHNSON COMMONS LLC
12 ("COMPANY"); REVISING THE NET REVENUE THRESHOLD
13 ABOVE WHICH SALES PROCEEDS WILL BE SPLIT BETWEEN
14 THE COMPANY AND THE CITY; APPROVING AND
15 AUTHORIZING EXECUTION OF DOCUMENTS BY THE MAYOR
16 AND CORPORATION SECRETARY; AUTHORIZING APPROVAL
17 OF TECHNICAL AMENDMENTS BY THE CHIEF EXECUTIVE
18 OFFICER OF THE DOWNTOWN INVESTMENT AUTHORITY;
19 TIMELINE FOR EXECUTION OF AMENDMENT BY THE
20 COMPANY; PROVIDING AN EFFECTIVE DATE.

21
22 **WHEREAS,** Johnson Commons LLC, a Florida limited liability
23 company, (the "Company"), the City of Jacksonville ("City"), and the
24 Downtown Investment Authority ("DIA") previously entered into that
25 certain Redevelopment Agreement dated October 19, 2021 (the
26 "Redevelopment Agreement"), as authorized by DIA Resolution 2021-03-
27 02 and City Ordinance 2021-496-E; and

28 **WHEREAS,** the Redevelopment Agreement contemplated the
29 development of a minimum of 91 townhomes (the "Townhomes"), a stand-
30 alone building including a minimum of 10,000 square feet of ground
31 level retail space, a new public right-of-way, and other related

1 projects, through the disposition of a certain 3.45-acre parcel of
2 real property located in the LaVilla area of Downtown Jacksonville
3 within the Northbank Community Redevelopment Area, all as more
4 particularly described in the Redevelopment Agreement (the
5 "Project"); and

6 **WHEREAS**, the Redevelopment Agreement provided that upon the sale
7 of each Townhome, all Net Revenues in excess of \$250,250.00 would be
8 split between the Company and the City; and

9 **WHEREAS**, due to extraordinary inflation and rising costs of
10 construction, the Company's projected construction budget per unit
11 has increased beyond the initial point of Net Revenue sharing; and

12 **WHEREAS**, in order for the Project to remain financially
13 feasible, the Company has requested to increase the Net Revenue
14 threshold above which sales proceeds will be split between the Company
15 and the City to \$320,000.00, with all other terms and conditions of
16 the Redevelopment Agreement remaining in full force and effect; and

17 **WHEREAS**, the DIA has authorized this modification pursuant to
18 DIA Resolution 2022-04-14 attached hereto as **Exhibit 1**; now,
19 therefore,

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

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

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

24 (b) This amendment is necessary to maintain the Redevelopment
25 Agreement with the Company and achieve the development plan for the
26 Project as originally approved;

27 (c) The Project will greatly enhance the City and otherwise
28 promote and further the municipal purposes of the City.

29 (d) The City's assistance for the Project will enable and
30 facilitate the Project, the Project will enhance and increase the
31 City's tax base and revenues, and the Project will improve the quality

1 of life necessary to encourage and attract business expansion in the
2 City.

3 (e) Enhancement of the City's tax base and revenues are
4 matters of State and City concern.

5 (f) The authorizations provided by this Ordinance are for
6 public uses and purposes for which the City may use its powers as a
7 county, municipality and as a political subdivision of the State of
8 Florida and may expend public funds, and the necessity in the public
9 interest for the provisions herein enacted is hereby declared as a
10 matter of legislative determination.

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

14 **Section 2. First Amendment to Redevelopment Agreement**
15 **Approved.** There is hereby approved, and the Mayor and
16 Corporation Secretary are authorized to execute and deliver on behalf
17 of the City the First Amendment to Redevelopment Agreement (the
18 "Amendment") by and among the City, the DIA and the Company, in
19 substantially the form placed **On File** with the Legislative Services
20 Division (with such "technical" changes as herein authorized).

21 The Amendment may include such additions, deletions and changes
22 as may be reasonable, necessary and incidental for carrying out the
23 purposes thereof, as may be acceptable to the Mayor, or his designee,
24 with such inclusion and acceptance being evidenced by execution of
25 the Amendment by the Mayor or his designee. No modification to the
26 Amendment may increase the financial obligations or the liability to
27 the City and any such modification shall be technical only and shall
28 be subject to appropriate legal review and approval of the General
29 Counsel, or his or her designee, and all other appropriate action
30 required by law. "Technical" is herein defined as including, but not
31 limited to, changes in legal descriptions and surveys, descriptions

1 of infrastructure improvements and/or any road project, ingress and
2 egress, easements and rights of way, performance schedules (provided
3 that no performance schedule may be extended for more than six months
4 without City Council approval), design standards, access and site
5 plan, which have no financial impact.

6 **Section 3. Designation of Authorized Official/DIA Contract**

7 **Monitor.** The Mayor is designated as the authorized official of the
8 City for the purpose of executing and delivering any contracts, notes
9 and documents and furnishing such information, data and documents for
10 the Amendment as may be required and otherwise to act as the
11 authorized official of the City in connection with the Amendment, and
12 is further authorized to designate one or more other officials of the
13 City to exercise any of the foregoing authorizations and to furnish
14 or cause to be furnished such information and take or cause to be
15 taken such action as may be necessary to enable the City to implement
16 the Amendment according to its terms. The DIA is hereby required to
17 administer and monitor the Amendment and to handle the City's
18 responsibilities thereunder, working with and supported by all
19 relevant City departments.

20 **Section 4. Further Authorizations.** The Mayor, or his

21 designee, and the Corporation Secretary, are hereby authorized to
22 execute the Amendment and all other contracts and documents and
23 otherwise take all necessary action in connection therewith and
24 herewith. The Chief Executive Officer of the DIA, as contract
25 administrator, is authorized to negotiate and execute all necessary
26 changes and amendments to the Amendment and other contracts and
27 documents, to effectuate the purposes of this Ordinance, without
28 further Council action, provided such changes and amendments are
29 limited to amendments that are technical in nature (as described in
30 Section 2 hereof) and further provided that all such amendments shall
31 be subject to appropriate legal review and approval by the General

1 Counsel, or his or her designee, and all other appropriate official
2 action required by law.

3 **Section 5. Execution of the Amendment.** If the Amendment
4 approved by this Ordinance has not been signed by the Company within
5 ninety (90) days after the DIA delivers or mails the unexecuted
6 Amendment to the Company for execution, then the City Council approval
7 of and authorization for the Mayor to execute the Amendment are
8 automatically revoked, provided however, that the Chief Executive
9 Officer of the DIA shall have the authority to extend such ninety
10 (90) day period in writing at his or her discretion for up to an
11 additional ninety (90) days.

12 **Section 6. Effective Date.** This Ordinance shall become
13 effective upon signature by the Mayor or upon becoming effective
14 without the Mayor's signature.

15
16 Form Approved:

17
18 /s/ Joelle J. Dillard

19 Office of General Counsel

20 Legislation prepared by: Joelle J. Dillard

21 GC-#1498699-v3-Leg_2022_Johnson_Commons_Lavilla_Townhomes_Amendment.docx
22