

## LEGISLATIVE FACT SHEET

DATE: 9/8/20

BT or RC No: N/A

(Administration & City Council Bills)

SPONSOR: Office of Economic Development

(Department/Division/Agency/Council Member)

Contact for all inquiries and presentations: Office of Economic Development

Provide Name: Ed Randolph, Director of Business Development Contact No: 255-5450

Email edr@coj.net

PURPOSE: White Paper (Explain why this legislation is necessary. Provide, who, what, when where, how and the impact.) Council Research will complete this form for Council introduced legislation and the Administration is responsible for all other legislation. (Minimum of 350 words – Maximum of 1 page)

The Armory is a visual landmark on the edge of the Springfield neighborhood and for the past 10 years the building has been vacant and falling further in disrepair. To stimulate interest in redeveloping the Armory a Request For Proposals (RFP) was published and advertised by the City. The RFP was issued on July 3, 2019 seeking bids from developers to purchase and/or lease the Armory site at 851 N. Market Street (the "Primary Parcel"), along with an option to purchase or lease the adjacent 2.97 acre property at 928 N. Market Street (the "Optional Parcel").

The Primary Parcel is the site of the vacant 80,826 square foot, three story former National Guard Armory. The Optional Parcel currently houses some Parks and Recreation Maintenance activities in three stucco warehouse buildings comprising 21,594 square feet of storage and office space. Both parcels total 4.97 acres that are separated by Hogans Creek and lie within an area designated as an AE flood zone (also known as a 100-year flood zone). The "Just (Market) Value", according to the Property Appraiser's Office, for the Primary Parcel is approximately \$2.8 million. The "Just (Market Value" for the Optional Parcel is approximately \$653,600.

Three responses to the RFP were received on the due date of August 14, 2019 and were reviewed and evaluated by the Competitive Sealed Proposal Evaluation Committee (CSPEC). REVA Development Corporation d/b/a MFK REVA Development, LLC was awarded the opportunity to negotiate to redevelop both City owned parcels by the CSPEC Committee at their meeting on November 14, 2019.

The City proposes to lease the "Primary Parcel" and sell the "Optional Parcel" to Armory Redevelopment Associates, LLC to redevelop the Armory building into a mixed use facility serving as a cultural arts economic development facility and sell the "Optional Parcel" to develop a mid-rise building for an estimated 100 apartment units to provide affordable workforce housing. The estimated cost to rehabilitate the Armory is a minimum of \$ 3 million. The estimated cost to construct the mid-rise apartment building for up to 100 units is \$20 million. Total investment for both development projects is estimated to be a minimum of \$23,000,000.

APPROPRIATION: Total Amount Appropriated \$0 as follows: List the source name and provide Object and Subobject Numbers for each category listed below:

(Name of Fund as it will appear in the title of the legislation)

Name of Federal Funding Source(s)

From: \_\_\_\_\_ Amount: \_\_\_\_\_

To: \_\_\_\_\_ Amount: \_\_\_\_\_

Name of State Funding Source(s)

From: \_\_\_\_\_ Amount: \_\_\_\_\_

To: \_\_\_\_\_ Amount: \_\_\_\_\_

Name of COJ Funding Source(s)

From: \_\_\_\_\_ Amount: \_\_\_\_\_

To: \_\_\_\_\_ Amount: \_\_\_\_\_

Name of In-Kind Contributions:

From: \_\_\_\_\_ Amount: \_\_\_\_\_

To: \_\_\_\_\_ Amount: \_\_\_\_\_

Name & No. of Bond Account(s):

From: \_\_\_\_\_ Amount: \_\_\_\_\_

To: \_\_\_\_\_ Amount: \_\_\_\_\_

PLAIN LANGUAGE OF APPROPRIATION/FINANCIAL IMPACT/OTHER:

Explain: Where are the funds coming from, going to, how will the funds be used? Does the funding require a match? Is the funding for a specific time frame? Will there be ongoing maintenance and staffing obligation? Per Chapter 122 & 106 regarding funding of anticipated post-construction operation costs. (Minimum of 350 words – maximum of 1 page.

The City of Jacksonville proposes to provide:

A Lease of the "Primary Parcel" to Armory Redevelopment Associates, LLC for a term of 40 years for \$1.00 per year, with two 20-year renewal options. The Lease includes an option to purchase for the first 15 years for \$2,749,975 increasing by one percent (1 %) for each year after the Effective Date of the Lease. The City agrees to sell the "Optional Parcel" to the Developer for the sum of \$864,800 for the construction of the up to 100 affordable workforce apartment units.

ACTION ITEMS: Purpose/Check List. If "Yes" please provide detail by attaching justification and code provisions for each.

ACTION ITEMS:

Emergency? Yes \_\_\_\_\_ No  \_\_\_\_\_

Justification of Emergency: If yes, explanation must include detailed nature of emergency.

**Federal or State Mandate?** Yes \_\_\_\_\_ No **X** \_\_\_\_\_

Explanation: If yes, explanation must include detailed nature of mandate include Statue or Provision.

**Fiscal Year Carryover?** Yes \_\_\_\_\_ No **X** \_\_\_\_\_

Note: If yes, note must include explanation of all-year subfund carryover language.

**CIP Amendment?** Yes \_\_\_ No **X** \_\_\_\_\_

Attachment: If yes, attach appropriate CIP form(s). Include justification for mid-year amendment.

**Contract/Agreement Approval?** Yes **X** \_\_\_\_\_ No \_\_\_\_\_

Attachment & Explanation: If yes, attach the Contract/Agreement & provide name of the Department and include contact name and telephone number of the person r that will provide oversight. Indicate if negotiations are on-going and with whom. Has OGC reviewed/drafted? OED will provide oversight and administration.

**Related RC/BT?** Yes \_\_\_\_\_ No **X** \_\_\_\_\_ If yes, attach appropriate RC/BT form(s)

**Waiver of Code?** Yes\_ No **X**\_

Code Reference: If yes, identify code section(s) in space below & provide detailed explanation (including impacts) within white paper.

**Code Exception:** Yes \_\_\_\_\_ No **X** \_\_\_\_\_

Code Reference: If yes, identify code section(s) in space below & provide detailed explanation (including impacts) within white paper.

**Related Enacted Ordinances?** Yes \_\_\_\_\_ No **X** \_\_\_\_\_

Code Reference: If yes, identify related code section(s) and ORD reference number in the space below & provide detailed explanation and any changes necessary within whitepaper.

**ACTION ITEMS CONTINUED:** Purpose/Check List. If "Yes" please provide detail by attaching justification and code provisions for each.

**ACTION ITEMS:**

**Continuation of Grant?** Yes \_\_\_\_\_ No **X** \_\_\_\_\_

Explanation: How will the funds be used? Does the funding require a match? Is the funding for a specific time frame and/or multi-year? If multi-year, note year of grant. Are there long-term implications for the General Fund?

**Surplus Property Certification?** Yes \_\_\_\_\_ No **X** \_\_\_\_\_ Attachment: If yes, attach appropriate form(s)

**Reporting Requirements?** Yes \_\_\_\_\_ No **X** \_\_\_\_\_

Explanation: List agencies (including City Council/Auditor) to receive reports and frequency of reports, including when reports are due. Provide name of the Department and include contact name and telephone number of the person responsible for generating.

Director BD:   
\_\_\_\_\_  
(Signature)

Date: 9/8/2020

Prepared By:   
\_\_\_\_\_  
(Signature)

Date: 9/8/2020

**ADMINISTRATIVE TRANSMITTAL**

To: MBRC, c/o Jasmine Jordan, Budget Office, St. James Bldg., Suite 325

Thru: N/A  
(Name, Job Title, Department)

From: Kirk Wendland, Executive Director, Office of Economic Development (OED)  
Initiating Department Representative (Name, Job Title, Department)

Phone: 255-5455 E-Mail: kwendland@coj.net

Primary Contact: Ed Randolph, Director Business Development  
(Name, Job Title, Department)

Phone: 255-5454 E-Mail: edr@coj.net

CC: Leeann Krieg, Director of Intergovernmental Affairs, Office of the Mayor

Phone: 255-5015 E-Mail: leeannk@coj.net

**COUNCIL MEMBER/INDEPENDENT AGENCY/CONSTITUTIONAL OFFICER TRANSMITTAL**

To: Peggy Sidman, Office of General Counsel, St. James Bldg., Suite 480

Phone: 255-5055 E-Mail: psidman@coj.net

From: N/A  
Initiating Council Member/Independent Agency/Constitutional Officer

Phone: \_\_\_\_\_ E-Mail: \_\_\_\_\_

Primary Contact: N/A  
(Name, Job Title, Department)

Phone: \_\_\_\_\_ E-Mail: \_\_\_\_\_

CC: Leeann Krieg, Director of Intergovernmental Affairs, Office of the Mayor

Phone: \_\_\_\_\_ E-Mail: \_\_\_\_\_

Legislation from Independent Agencies requires a resolution from the Independent Agency Board approving the legislation

Independent Agency Action Item:

Board(s) Action/Resolution? Yes \_\_\_\_\_ No **X** \_\_\_\_\_

Attachment: If yes, attach appropriate documentation. If no, when is board action scheduled?

**FACT SHEET IS REQUIRED BEFORE LEGISLATION IS INTRODUCED**