

1 Introduced by the Council President at the request of the DIA:
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4 **ORDINANCE 2019-626**

5 AN ORDINANCE APPROVING AND AUTHORIZING THE
6 MAYOR OR HIS DESIGNEE AND CORPORATION
7 SECRETARY TO EXECUTE AND DELIVER: (1) A
8 REDEVELOPMENT AGREEMENT ("AGREEMENT") BETWEEN
9 THE CITY OF JACKSONVILLE AND BLUE CROSS AND
10 BLUE SHIELD OF FLORIDA, INC. ("DEVELOPER"),
11 WHICH REDEVELOPMENT AGREEMENT PROVIDES FOR THE
12 DESIGN AND CONSTRUCTION OF A PARKING GARAGE
13 WITH A MINIMUM OF 750 PARKING SPACES BY THE
14 DEVELOPER WITHIN THE NORTHBANK DOWNTOWN
15 COMMUNITY REDEVELOPMENT AREA ("PROJECT"); (2)
16 A QUITCLAIM DEED CONVEYING AN APPROXIMATELY
17 2.3 ACRE PARCEL OF CITY-OWNED LAND LOCATED AT
18 0 MAGNOLIA STREET, JACKSONVILLE, FLORIDA, IN
19 COUNCIL DISTRICT 7 IN THE NORTHBANK COMMUNITY
20 REDEVELOPMENT AREA TO THE DEVELOPER AT NO COST
21 (THE "PROPERTY"); (3) A RESTRICTIVE COVENANTS
22 AND PARKING RIGHTS AGREEMENT ("RESTRICTIVE
23 COVENANTS"), WHICH RESTRICTIVE COVENANTS
24 AUTHORIZE USE OF THE PARKING GARAGE BY THE
25 GENERAL PUBLIC AFTER 6:00 P.M. ON WEEKNIGHTS
26 AND 24-HOUR ACCESS ON WEEKENDS AND NATIONAL
27 HOLIDAYS; AND (4) RELATED AGREEMENTS AND
28 CLOSING DOCUMENTS AS DESCRIBED IN THE
29 REDEVELOPMENT AGREEMENT, AND OTHERWISE TO TAKE
30 ALL NECESSARY ACTION TO EFFECTUATE THE
31 PURPOSES OF THE REDEVELOPMENT AGREEMENT;

1 DESIGNATING THE DOWNTOWN INVESTMENT AUTHORITY
2 AS CONTRACT MONITOR; PROVIDING FOR OVERSIGHT
3 OF THE PROJECT BY THE DEPARTMENT OF PUBLIC
4 WORKS; PROVIDING AN EFFECTIVE DATE.
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6 **WHEREAS**, the City of Jacksonville ("City") is the owner of an
7 approximately 2.3 acre parcel of real property located at 0
8 Magnolia Street, R.E. # 090059-0000 in the Northbank Downtown
9 Community Redevelopment Area, on which is located a retention pond;
10 and

11 **WHEREAS**, the Downtown Investment Authority ("DIA") issued its
12 Notice of Disposition for a City-owned property providing notice to
13 developers who may be interested in purchasing and developing the
14 Property, and Blue Cross and Blue Shield of Florida, Inc.
15 ("Developer") was the only respondent; and

16 **WHEREAS**, the Property will be conveyed to Developer at no cost
17 in exchange for the development of a structured parking facility
18 having a minimum of 750 parking spaces (the "Parking Garage"), and
19 the Developer has agreed to the placement of a Restrictive
20 Covenants and Parking Rights Agreement on the Parking Garage, to
21 provide public parking in the Parking Garage after 6:00 p.m. on a
22 daily basis, and 24 hour use by the general public on all weekends
23 and national holidays; and

24 **WHEREAS**, upon substantial completion of construction of the
25 Parking Garage, the DIA will make a Parking Garage Grant to
26 Developer in the amount of \$3,500,000 to support the construction
27 of the Parking Garage; and

28 **WHEREAS**, in the event the Developer fails to commence
29 construction of the Parking Garage by no later March 31, 2020 from
30 the effective date of the Agreement, title to the Property shall
31 revert to the City, and in the event the Developer does not

1 substantially complete construction of the Parking Garage by March
2 31, 2021, the City may elect to: (i) repurchase the property from
3 Developer at its then appraised value, less the amount of
4 \$3,170,000, which is the current appraised value of the Property;
5 or (ii) require the Developer to pay to the City the amount of
6 \$3,170,000; and

7 **WHEREAS**, supporting the development of the Parking Garage
8 will redevelop and create a more intense use of the Property,
9 generate new ad valorem taxes on the Property, eliminate blight
10 conditions in the area, and provide job opportunities to residents
11 of the area; and

12 **WHEREAS**, a copy of the DIA Resolution authorizing the
13 transaction is attached hereto as **Exhibit 1**; now, therefore

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

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

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

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

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

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

27 (e) The Developer is qualified to carry out the Project.

28 (f) The authorizations provided by this Ordinance are for
29 public uses and purposes for which the City may use its powers as a
30 municipality and as a political subdivision of the State of Florida
31 and may expend public funds, and the necessity in the public

1 interest for the provisions herein enacted is hereby declared as a
2 matter of legislative determination.

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

6 **Section 2. Approval and Authorization.** There is hereby
7 approved and the Mayor, or his designee, and the Corporation
8 Secretary, are hereby authorized to execute and deliver on behalf
9 of the City the Redevelopment Agreement, Quitclaim Deed,
10 Restrictive Covenants and Parking Rights Agreement, and related
11 documents referenced therein between the City of Jacksonville and
12 Developer, in substantially the form placed **On File** with the
13 Legislative Services Division (collectively, the "Agreements"), and
14 all such other documents, necessary or appropriate to effectuate
15 the purpose of this Ordinance (with such "technical" changes as
16 herein authorized).

17 The Agreements may include such additions, deletions and
18 changes as may be reasonable, necessary and incidental for carrying
19 out the purposes thereof, as may be acceptable to the Mayor, or his
20 designee, with such inclusion and acceptance being evidenced by
21 execution of the Agreement by the Mayor, or his designee; provided
22 however, no modification to the Agreements may increase the
23 financial obligations or liability of the City to an amount in
24 excess of the amount stated in the Agreements or decrease the
25 financial obligations or liability of the Developer, and any such
26 modification shall be technical only and shall be subject to
27 appropriate legal review and approval by the Office of General
28 Counsel. For purposes of this Ordinance, the term "technical
29 changes" is defined as those changes having no financial impact to
30 the City, including, but not limited to, changes in legal
31 descriptions or surveys, ingress and egress, easements and rights

1 of way, design standards, access and site plan, resolution of title
2 defects, if any, and other non-substantive changes that do not
3 substantively increase the duties and responsibilities of the City
4 under the provisions of the Agreements.

5 **Section 3. Designation of Contract Monitor.** The Downtown
6 Investment Authority shall provide oversight and administration of
7 the Agreements for the duration thereof.

8 **Section 4. Oversight Department.** The Department of
9 Public Works shall oversee the project described herein.

10 **Section 5. Further Authorizations.** The Mayor, or his
11 designee, and the Corporation Secretary, are hereby authorized to
12 execute the Agreements and all other contracts and documents and
13 otherwise take all necessary action in connection therewith and
14 herewith. The Chief Executive Officer of the DIA, as contract
15 administrator, is authorized to negotiate and execute all necessary
16 changes and amendments to the Agreements and other contracts and
17 documents, to effectuate the purposes of this Ordinance, without
18 further Council action, provided such changes and amendments are
19 limited to amendments that are technical in nature (as described in
20 Section 2 hereof), and further provided that all such amendments
21 shall be subject to appropriate legal review and approval by the
22 General Counsel, or his or her designee, and all other appropriate
23 official action required by law.

24 **Section 6. Effective Date.** This Ordinance shall become
25 effective upon signature by the Mayor or upon becoming effective
26 without the Mayor's signature.

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Form Approved:

 /s/ John Sawyer

Office of General Counsel

Legislation Prepared By: John Sawyer

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