

1 Introduced by the Council President at the request of the DIA and  
2 amended by the Neighborhoods, Community Services, Public Health and  
3 Safety Committee:  
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6 **ORDINANCE 2024-452-E**

7 AN ORDINANCE APPROPRIATING \$7,600,000 FROM THE  
8 GENERAL FUND OPERATING RESERVES TO PROVIDE A  
9 CONSTRUCTION LOAN TO FUQUA BCDC ONE RIVERSIDE  
10 PROJECT OWNER, LLC ("DEVELOPER"), ASSIGNEE OF  
11 FUQUA ACQUISITIONS II, LLC, PURSUANT TO THE  
12 SETTLEMENT AGREEMENT AND AMENDMENT TWO TO  
13 REDEVELOPMENT AGREEMENT AUTHORIZED HEREBY, AS  
14 INITIATED BY REVISED B.T. 24-113; AUTHORIZING  
15 THE MAYOR, OR HER DESIGNEE, AND CORPORATION  
16 SECRETARY TO EXECUTE AND DELIVER, FOR AND ON  
17 BEHALF OF THE CITY: (1) A SETTLEMENT AGREEMENT  
18 BETWEEN THE CITY AND DEVELOPER IN CONNECTION  
19 WITH THE REDEVELOPMENT AGREEMENT DATED  
20 DECEMBER 20, 2021 ("REDEVELOPMENT AGREEMENT"),  
21 PREVIOUSLY AUTHORIZED BY 2021-796-E; (2) AN  
22 AMENDMENT TWO TO REDEVELOPMENT AGREEMENT BY  
23 AND AMONG THE CITY, DOWNTOWN INVESTMENT  
24 AUTHORITY, DEVELOPER AND TBR ONE RIVERSIDE  
25 OWNER, LLC, AS PARTIAL ASSIGNEE OF DEVELOPER,  
26 AMENDING THE REDEVELOPMENT AGREEMENT AS  
27 PREVIOUSLY AMENDED BY AMENDMENT ONE TO  
28 REDEVELOPMENT AGREEMENT DATED OCTOBER 12,  
29 2022, AS AUTHORIZED BY ORDINANCE 2022-493-E,  
30 (COLLECTIVELY, THE "AGREEMENT"), TO MODIFY THE  
31 PERFORMANCE SCHEDULE AND ASSOCIATED TERMS OF

1 THE AGREEMENT AND AUTHORIZE THE CONSTRUCTION  
2 LOAN PURSUANT TO THE SETTLEMENT AGREEMENT; AND  
3 (3) LOAN DOCUMENTS AND RELATED DOCUMENTS AS  
4 DESCRIBED IN THE AGREEMENT; AUTHORIZING A CITY  
5 CONSTRUCTION LOAN TO DEVELOPER IN THE AMOUNT  
6 OF \$7,600,000 AT ZERO PERCENT INTEREST FOR A  
7 TERM OF TWENTY-SEVEN MONTHS FOR THE PROJECT AS  
8 DESCRIBED IN THE AGREEMENT, WHICH LOAN MAY BE  
9 PARTIALLY FORGIVEN IN THE AMOUNT OF  
10 \$4,098,116.20 PROVIDED DEVELOPER SUBSTANTIALLY  
11 COMPLETES THE PHASE ONE RETAIL IMPROVEMENTS IN  
12 ACCORDANCE WITH THE AGREEMENT; AUTHORIZING THE  
13 EXECUTION OF ALL DOCUMENTS RELATING TO THE  
14 ABOVE AGREEMENTS AND TRANSACTIONS, AND  
15 AUTHORIZING TECHNICAL CHANGES TO THE  
16 DOCUMENTS; PROVIDING AN EFFECTIVE DATE.  
17

18 **WHEREAS**, the City of Jacksonville ("City"), Downtown  
19 Investment Authority ("DIA"), and Fuqua BCDC One Riverside Project  
20 Owner, LLC, as successor in interest to Fuqua Acquisitions II, LLC  
21 ("Developer"), entered into that certain Redevelopment Agreement  
22 dated December 20, 2021, as authorized by Ordinance 2021-796-E, as  
23 amended by that certain Amendment One to Redevelopment Agreement  
24 dated October 12, 2022, as authorized by Ordinance 2022-493-E  
25 (collectively, the "Agreement"), pursuant to which the Developer  
26 was to construct certain residential, retail, mixed-use and  
27 restaurant improvements, as further defined in the RDA, with a  
28 minimum required capital investment of \$163,993,465 (the  
29 "Project"); and

30 **WHEREAS**, the Developer has been diligently pursuing  
31 completion of the design and permitting elements and has commenced

1 construction of certain residential improvements in accordance with  
2 the terms of the Agreement; and

3 **WHEREAS**, the Developer has asserted claims against the City  
4 for delays in completion of the McCoy's Creek Improvements by the  
5 City that have impacted the Project, and the City and the Developer  
6 have reached a Mediated Settlement Agreement to resolve these  
7 disputed issues and provide a path for completion of the Project;  
8 and

9 **WHEREAS**, the Developer, City and DIA desire to amend the  
10 Redevelopment Agreement to amend certain components of the  
11 performance schedule for both the City and Developer, redefine the  
12 McCoy's Creek Improvements project into phases with separate  
13 completion dates, authorize a temporary construction easement from  
14 the City to the Developer for the construction of an access road to  
15 the site, clarify the definition of the Restaurant Improvements,  
16 and certain other changes as set forth in the amendment two  
17 authorized hereby, with all other terms and conditions remaining  
18 unchanged; and

19 **WHEREAS**, on May 15, 2024, the DIA approved a resolution (the  
20 "Resolution") to enter into an amendment two to the Agreement and  
21 related documents, said Resolution being attached hereto as **Exhibit**  
22 **1**; and

23 **WHEREAS**, it has been determined to be in the interest of the  
24 City and DIA to enter into the amendment two to the redevelopment  
25 agreement and related documents and approve of and adopt the  
26 matters set forth in this Ordinance; now therefore

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

28 **Section 1. Appropriation.** For the 2023-2024 fiscal year,  
29 within the City's budget, there are hereby appropriated the  
30 indicated sum(s) from the account(s) listed in subsection (a) to  
31 the account(s) listed in subsection (b):

1 (Revised B.T. 24-113 attached hereto as **Revised Exhibit 2**, labeled  
2 as "Revised Exhibit 2, Rev B.T. 24-113, June 17, 2024 - NCSPHS" and  
3 incorporated herein by this reference)

4 (a) Appropriated from:

5 See Revised B.T. 24-113 \$7,600,000

6 (b) Appropriated to:

7 See Revised B.T. 24-113 \$7,600,000

8 (c) Explanation of Appropriation: the appropriation  
9 above is appropriating \$7,600,000 from the General  
10 Fund Operating Reserves to provide a partially  
11 forgivable construction loan to the Developer  
12 pursuant to the Settlement Agreement and Amendment  
13 Two authorized hereby to partially fund the  
14 construction cost of the Project as described in the  
15 Agreement.

16 **Section 2. Purpose of Appropriation.** The purpose of the  
17 appropriation is to fund the Construction Loan required by the  
18 Mediated Settlement Agreement and resolve disputed legal issues and  
19 avoid potential litigation and liability related to the Project.

20 **Section 3. Settlement Approval and Authorization.** The  
21 Mediated Settlement Agreement between the City and Developer (the  
22 "Settlement Agreement") substantially in the form placed **On File**  
23 with the Legislative Services Division, is hereby approved in  
24 accordance with Section 112.307, *Ordinance Code*. The Mayor, or her  
25 authorized designee, and Corporation Secretary are hereby  
26 authorized to execute and deliver all documents and agreements  
27 necessary to affect the transaction contemplated by the Settlement  
28 Agreement (collectively, the "Documents"), including without  
29 limitation, escrow agreements and instructions, temporary  
30 construction easements, loan documents, and closing documents.

31 The Documents may include such statements or terms as may be

1 reasonable, necessary, and incidental for carrying out the purposes  
2 thereof, as may be acceptable to the Mayor, or her designee, with  
3 such inclusion and acceptance being evidenced by execution of the  
4 Documents by the Mayor or her designee. The Documents may not  
5 increase the financial obligations or the liability of the City  
6 beyond what is contemplated by the Settlement Agreement or  
7 Amendment Two (defined below) and shall be subject to appropriate  
8 legal review and approval of the Office of General Counsel and all  
9 other appropriate action required by law.

10 **Section 4. Amendment Two to Redevelopment Agreement and**  
11 **Loan Documents Approved.** The Mayor, or her designee, and  
12 Corporation Secretary are hereby authorized to execute and deliver  
13 an Amendment Two to Redevelopment Agreement by and among the City  
14 of Jacksonville, Downtown Investment Authority, Fuqua BCDC One  
15 Riverside Project Owner, LLC, and TBR One Riverside Owner, LLC  
16 ("Amendment Two"), substantially in the form placed **On File** with  
17 the Legislative Services Division, inclusive of loan documents for  
18 the construction loan authorized hereby (collectively, the  
19 "Agreements"), with such "technical" changes as herein authorized,  
20 for the purpose of implementing the matters set forth in this  
21 Ordinance. Amendment Two authorizes the construction loan, extends  
22 certain commencement dates, completion dates, and milestone dates  
23 of the Developer Performance Schedule and the City Performance  
24 Schedule (as such terms are defined in the Agreement), and makes  
25 additional technical changes related thereto.

26 The Agreements may include such additions, deletions and  
27 changes as may be reasonable, necessary and incidental for carrying  
28 out the purposes thereof, as may be acceptable to the Mayor, or her  
29 designee, with such inclusion and acceptance being evidenced by  
30 execution thereof by the Mayor or her designee. No modification to  
31 the Agreements may increase the financial obligations or the

1 liability of the City or DIA and any such modification shall be  
2 technical only and shall be subject to appropriate legal review and  
3 approval of the General Counsel, or his designee, and all other  
4 appropriate action required by law. "Technical" is herein defined as  
5 including, but not limited to, changes in legal descriptions and  
6 surveys, descriptions of infrastructure improvements and/or any road  
7 project, ingress and egress, easements and rights of way,  
8 performance schedules (provided that no performance schedule may be  
9 extended for more than twelve months without Council approval)  
10 design standards, access and site plan, which have no financial  
11 impact.

12       **Section 5.       Authorizing a \$7,600,000 Construction Loan to**  
13 **Developer.**   A \$7,600,000 Construction Loan is hereby authorized  
14 pursuant to and in accordance with the terms and conditions of the  
15 Agreements.

16       **Section 6.       Oversight Department.**       The DIA shall  
17 administer the Construction Loan and Project described herein.

18       **Section 7.       Further Authorizations.**   The Mayor, or her  
19 designee, and the Corporation Secretary, are hereby authorized to  
20 execute the Agreements and all other contracts and documents and  
21 otherwise take all necessary action in connection therewith and  
22 herewith. The Chief Executive Officer of the DIA, as contract  
23 administrator, is authorized to negotiate and execute all necessary  
24 changes and amendments to the Agreements and other contracts and  
25 documents, to effectuate the purposes of this Ordinance, without  
26 further Council action, provided such changes and amendments are  
27 limited to amendments that are technical in nature (as described in  
28 Section 4 hereof), and further provided that all such amendments  
29 shall be subject to appropriate legal review and approval by the  
30 General Counsel, or his or her designee, and all other appropriate  
31 official action required by law.

1           **Section 8.           Effective Date.**   This Ordinance shall become  
2 effective upon signature by the Mayor or upon becoming effective  
3 without the Mayor's signature.

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5 Form Approved:

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7                     /s/ Mary E. Staffopoulos          

8 Office of General Counsel

9 Legislation Prepared By: John Sawyer

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