

Introduced by the Council President at the request of the DIA and three times amended on the Floor of Council:

ORDINANCE 2025-319-E

AN ORDINANCE MAKING CERTAIN FINDINGS AND AUTHORIZING THE CITY TO ACQUIRE BY PROPERTY EXCHANGE THAT CERTAIN 2.85± ACRE IMPROVED PARCEL OF REAL PROPERTY LOCATED AT 801 W. BAY STREET, JACKSONVILLE, FLORIDA 32204 (R.E. NO. 074487-0010) IN COUNCIL DISTRICT 7 WITHIN THE DOWNTOWN NORTHBANK COMMUNITY REDEVELOPMENT AREA (THE "801 W. BAY STREET PARCEL"), AND AUTHORIZING THE MAYOR, OR HER DESIGNEE, TO EXECUTE: (1) A REDEVELOPMENT AGREEMENT ("REDEVELOPMENT AGREEMENT") BY AND AMONG THE CITY OF JACKSONVILLE ("CITY"), DOWNTOWN INVESTMENT AUTHORITY ("DIA"), AND GATEWAY COMPANIES LLC, OR ITS AFFILIATE ("DEVELOPER"), WHICH REDEVELOPMENT AGREEMENT PROVIDES FOR THE ACQUISITION OF THE 801 W. BAY STREET PARCEL BY THE CITY, THE DISPOSITION TO DEVELOPER OF THAT CERTAIN APPROXIMATELY 1± ACRE PARCEL LOCATED ADJACENT TO RIVERFRONT PLAZA (F/K/A THE JACKSONVILLE LANDING) AT ITS NORTHEAST CORNER (A PORTION OF R.E. NOS. 074457-1100 AND 074445-0700) WITHIN THE DOWNTOWN NORTHBANK COMMUNITY REDEVELOPMENT AREA (THE "RIVERFRONT PLAZA PAD B") THE GRANTING TO DEVELOPER OF AN OPTION TO PURCHASE (THE "OPTION") THAT CERTAIN 1.7± ACRE PARCEL LOCATED EAST OF THE MAIN STREET

BRIDGE OFF-RAMP ON THE NORTH SIDE OF THE ST. JOHNS RIVER (A PORTION OF R.E. NOS. 074445-0000 AND 074444-9000, AND R.E. NO. 074444-9020) (THE "EAST LANDING PARCEL"), AND THE DESIGN AND CONSTRUCTION OF A PROJECT ON THE RIVERFRONT PLAZA PAD B (THE "RIVERFRONT PLAZA PAD B PROJECT") AND, IF THE OPTION IS EXERCISED, THE DESIGN AND CONSTRUCTION OF A PROJECT ON THE EAST LANDING PARCEL (THE "EAST LANDING PROJECT" AND TOGETHER WITH THE RIVERFRONT PLAZA PAD B PROJECT, THE "PROJECT"); THE RIVERFRONT PLAZA PAD B PROJECT IS COMPRISED OF A MINIMUM OF A FOUR-STAR, OR LUXURY BOUTIQUE, HOTEL CONTAINING BETWEEN 130 AND 170 ROOMS, MULTI-FAMILY IMPROVEMENTS WHICH MAY BE CONDOMINIUMS OR RENTAL UNITS (INCLUDING TRANSIENT RENTALS) CONTAINING A MINIMUM OF 50 AND NOT MORE THAN 150 RESIDENTIAL UNITS, A SKY VIEW TERRACE ACCESSIBLE TO THE PUBLIC CONTAINING A MINIMUM OF 5,000 SQUARE FEET, AND A MINIMUM OF TWO (2) FULL-SERVICE RESTAURANTS CONTAINING A COMBINED MINIMUM 7,500 SQUARE FEET, AND TO PROVIDE BACK-OF-HOUSE ACCESS TO THE CITY OWNED BEER GARDEN IN RIVERFRONT PLAZA PHASE II, WITH A MINIMUM CAPITAL INVESTMENT OF NOT LESS THAN \$100,000,000 AND, IF THE OPTION IS EXERCISED, THE EAST LANDING PROJECT IS COMPRISED OF A MINIMUM OF A 75,000 SQUARE FOOT MIXED-USE BUILDING WITH A MINIMUM OF ONE RESTAURANT FACING THE ST. JOHNS RIVER CONTAINING A MINIMUM OF 4,000 SQUARE FEET, A MINIMUM OF 75 PARKING SPACES OPEN TO THE PUBLIC,

1 WITH A MINIMUM CAPITAL INVESTMENT OF NOT LESS
2 THAN \$25,000,000 AND, IF ELECTED BY DEVELOPER,
3 THE REMOVAL OF THE MAIN STREET BRIDGE OFF-RAMP
4 CONNECTING TO INDEPENDENT DRIVE EAST; AND (2)
5 EASEMENTS AND RELATED DOCUMENTS AS DESCRIBED IN
6 THE REDEVELOPMENT AGREEMENT; AUTHORIZING
7 CONVEYANCE OF THE RIVERFRONT PLAZA PAD B TO
8 DEVELOPER; AUTHORIZING THE GRANTING OF A
9 PURCHASE OPTION, AND SUBSEQUENT CONVEYANCE OF
10 THE EAST LANDING PARCEL TO DEVELOPER; PROVIDING
11 FOR CITY OVERSIGHT OF THE PROJECT BY THE DIA;
12 AUTHORIZING THE EXECUTION OF ALL DOCUMENTS
13 RELATING TO THE ABOVE AGREEMENTS AND
14 TRANSACTIONS, AND AUTHORIZING TECHNICAL CHANGES
15 TO THE DOCUMENTS; PROVIDING A CONDITION
16 PRECEDENT TO PRESENTATION OF DEVELOPMENT
17 INCENTIVES FOR THE PROJECT TO THE CITY COUNCIL
18 FOR CONSIDERATION AND A DEADLINE FOR
19 PRESENTATION OF INCENTIVES; PROVIDING
20 CONDITIONS PERTAINING TO FUTURE PROPOSED
21 DEVELOPMENT INCENTIVES FOR THE PROJECT;
22 PROVIDING AN EFFECTIVE DATE.

23
24 **WHEREAS,** Gateway Companies LLC (the "Developer") has submitted
25 to the Downtown Investment Authority ("DIA") a proposal for the City
26 to acquire by in-kind property exchange an approximately 2.85 acre
27 improved parcel of real property located at 801 W. Bay Street in
28 Council District 7 within the Downtown Northbank Community
29 Redevelopment Area (the "801 W. Bay Street Parcel"), and in exchange
30 acquire from the City and develop an approximately one acre parcel
31 of real property located adjacent to Riverfront Plaza (f/k/a the

1 Jacksonville Landing) at its northeast corner (a portion of R.E. nos.
2 074457-1100 and 074445-0700) within the Downtown Northbank Community
3 Redevelopment Area (the "Riverfront Plaza Pad B"), and obtain the
4 right to acquire via an option to purchase (the "Option") from the
5 City and develop an approximately 1.7-acre parcel located east of the
6 Main Street Bridge off-ramp on the north side of the St. Johns River
7 (the "East Landing Parcel"); and

8 **WHEREAS**, appraisals of the office building and excess land
9 located at the 801 W. Bay Street Parcel as obtained by the DIA provide
10 fee-simple values that range from \$5.35 million to \$6.75 million, and
11 the appraised value of Riverfront Plaza Pad B is provided as \$3.41
12 million, and the appraised value of the East Landing Parcel is
13 provided as \$1.62 million; and

14 **WHEREAS**, the appraised value of the 801 W. Bay Street Parcel
15 as provided by the Developer totals \$9.5 million based on the
16 prospective stabilized leased fee interest of the office building and
17 the as is value of excess land; and

18 **WHEREAS**, the development will include one project located on
19 the Riverfront Plaza Pad B (the "Riverfront Plaza Pad B Project")
20 and, if the Option is exercised, a second project on the East Landing
21 Parcel (the "East Landing Project" and together with the Riverfront
22 Plaza Pad B Project, the "Project"); and

23 **WHEREAS**, the Riverfront Plaza Pad B Project will include the
24 design and construction of a minimum four-star, or luxury boutique,
25 hotel containing between 130 and 170 rooms, multi-family
26 improvements, which may be condominiums or rental units (including
27 transient rentals) containing between 50 and 150 residential units,
28 a sky view terrace containing a minimum of 5,000 square feet, and a
29 minimum of 2 full-service restaurants containing a combined minimum
30 7,500 square feet, and to provide back-of-house access to the city
31 owned beer garden in Riverfront Plaza Phase II, with a minimum capital

1 investment of \$100,000,000; and

2 **WHEREAS**, if the option is exercised, the East Landing Project
3 will include the design and construction of a minimum of a 75,000
4 square foot mixed-use building with a minimum of 1 restaurant facing
5 the St. Johns River containing a minimum of 4,000 square feet, a
6 minimum of 75 parking spaces open to the public, and if elected by
7 Developer, the removal of the Main Street Bridge off-ramp connecting
8 to Independent Drive East, with a minimum capital investment of
9 \$25,000,000; and

10 **WHEREAS**, the 801 W. Bay Street Parcel is being acquired by the
11 City to be further conveyed to the University of Florida Board of
12 Trustees to serve as a higher educational campus and extension of the
13 University of Florida Jacksonville campus; and

14 **WHEREAS**, the City's acquisition of the 801 W. Bay Street Parcel
15 is consistent with the DIA BID Plan, and furthers Redevelopment Goal
16 1, Increase job growth to reinforce Downtown as the region's epicenter
17 for business, and the City's disposition, and Developer's
18 redevelopment, of the Riverfront Plaza Pad B and the East Landing
19 Parcel furthers Redevelopment Goal 2, Increase rental and
20 owner-occupied housing Downtown targeting diverse populations
21 identified as seeking a more urban lifestyle, Redevelopment Goal 3,
22 Increase and diversify the number and type of retail, food and
23 beverage, and entertainment establishments within Downtown,
24 Redevelopment Goal 4, Increase the vibrancy of Downtown for residents
25 and visitors through arts, culture, history, sports, theater, events,
26 parks, and attractions, Redevelopment Goal 5, Improve the safety,
27 accessibility, and wellness of Downtown Jacksonville and cleanliness
28 and maintenance of public spaces for residents, workers, and visitors,
29 Redevelopment Goal 6, Improve the walkability/bike-ability of
30 Downtown and pedestrian and bicycle connectivity between Downtown and
31 adjacent neighborhoods and the St. Johns River, and Redevelopment

1 Goal 7, Capitalize on the aesthetic beauty of the St. Johns River,
2 value its health and respect its natural force, and maximize
3 interactive and recreational opportunities for residents and visitors
4 to create waterfront experiences unique to Downtown Jacksonville; and

5 **WHEREAS,** on March 3, 2025, the DIA Board approved Resolution
6 2025-02-04 (the "Resolution") to enter into the Redevelopment
7 Agreement, said Resolution being attached hereto as **Exhibit 1**; and

8 **WHEREAS,** it has been determined to be in the interest of the
9 City and DIA to enter into the Redevelopment Agreement and approve
10 of and adopt the matters 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 Developer's agreement to convey the 801 W. Bay Street
18 Parcel to the City pursuant to the terms of the Redevelopment
19 Agreement will allow the City to further convey the 801 W. Bay Street
20 Parcel to the University of Florida Board of Trustees so that it may
21 serve as a higher educational campus and extension of the University
22 of Florida, creating higher education opportunities expected to
23 attract top tier students from around the world.

24 (d) The Project will enhance and increase the City's tax base
25 and revenues, and the Project will improve the quality of life
26 necessary to encourage and attract business expansion in the City.

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

29 (f) The Developer is qualified to carry out the Project and has
30 demonstrated access to capital in other large-scale projects of
31 similar scope.

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

7 (h) This Ordinance is adopted pursuant to the provisions of
8 Chapters 163, 166 and 125, Florida Statutes, as amended, the City's
9 Charter, and other applicable provisions of law.

10 **Section 2. Execution of Agreements.** The Mayor (or her
11 authorized designee) and the Corporation Secretary are hereby
12 authorized to execute and deliver the Redevelopment Agreement along
13 with such deeds, easements and other related documents contemplated
14 by the Redevelopment Agreement (collectively, the "Agreements") which
15 have been placed **Second Revised On File** with the Legislative Services
16 Division (with such "technical" changes as herein authorized), for
17 the purpose of implementing the recommendations of the DIA as further
18 described in the Redevelopment Agreement.

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

1 and/or any road project, ingress and egress, easements and rights of
2 way, performance schedules (provided that no performance schedule may
3 be extended for more than one (1) year without Council approval),
4 design standards, access and site plan, which have no financial
5 impact. The Developer, as defined in the Redevelopment Agreement,
6 shall have thirty days from the enactment date of this Ordinance to
7 provide the duly executed Redevelopment Agreement to the DIA.

8 **Section 3. Authorizing Conveyance of Riverfront Plaza Pad**
9 **B to Developer.** The City is hereby authorized to convey the
10 Riverfront Plaza Pad B to the Developer in exchange for the conveyance
11 of the 801 W. Bay Street Parcel to the City and subject to the
12 additional terms and conditions as set forth in the Redevelopment
13 Agreement.

14 **Section 4. Authorizing the Granting of an Option to**
15 **Purchase the East Landing Parcel to Developer.** The City is hereby
16 authorized to grant to the Developer an Option to Purchase the East
17 Landing Parcel and subsequently convey the same to Developer subject
18 to the additional terms and conditions as set forth in the
19 Redevelopment Agreement.

20 **Section 5. Designation of Authorized Official and DIA as**
21 **Contract Monitor.** The Mayor is designated as the authorized official
22 of the City for the purpose of executing and delivering any contracts
23 and documents and furnishing such information, data and documents for
24 the Agreements and related documents as may be required and otherwise
25 to act as the authorized official of the City in connection with the
26 Agreements, and is further authorized to designate one or more other
27 officials of the City to exercise any of the foregoing authorizations
28 and to furnish or cause to be furnished such information and take or
29 cause to be taken such action as may be necessary to enable the City
30 to implement the Agreements according to their terms. The DIA is
31 hereby required to administer and monitor the Redevelopment Agreement

1 and to handle the City's responsibilities thereunder, including the
2 City's responsibilities under such agreement working with and
3 supported by all relevant City departments.

4 **Section 6. Oversight Department.** The DIA shall oversee the
5 Project described herein.

6 **Section 7. Further Authorizations.** The Mayor, or her
7 designee, and the Corporation Secretary, are hereby authorized to
8 execute the Agreements and all other contracts and documents and
9 otherwise take all necessary action in connection therewith and
10 herewith. The Chief Executive Officer of the DIA, as contract
11 administrator, is authorized to negotiate and execute all necessary
12 changes and amendments to the Agreements and other contracts and
13 documents, to effectuate the purposes of this Ordinance, without
14 further Council action, provided such changes and amendments are
15 limited to amendments that are technical in nature (as described in
16 Section 2 hereof), and further provided that all such amendments
17 shall be subject to appropriate legal review and approval by the
18 General Counsel, or his or her designee, and all other appropriate
19 official action required by law.

20 **Section 8. Providing for a Condition Precedent to**
21 **Presentation of Development Incentives for the Project to the City**
22 **Council and a Deadline for Presentation of Incentives.** Prior to the
23 DIA's presentation of any development incentives related to the
24 Project and associated Redevelopment Agreement authorized herein, the
25 DIA shall:

- 26 (a) Report to the City Council regarding the status of the
27 optimal use study approved and authorized by the DIA Board
28 on November 20, 2024, pursuant to Board Resolution
29 2024-11-03. This study shall include a review of the
30 optimal uses pertaining to Riverfront Plaza Pad B as
31 described herein in the event Developer is unable to

1 proceed with the proposed Project.

2 (b) The DIA shall present any and all proposed incentives for
3 the Project to the City Council in accordance with the
4 timeline established in Section 7.1 of the Redevelopment
5 Agreement attached hereto as **Second Revised On File**.

6 **Section 9. Conditions Pertaining to Development Incentives**
7 **for the Project.** Prior to the DIA's presentation of any development
8 incentives related to the Project and associated Redevelopment
9 Agreement authorized herein, the DIA shall cause to be conducted a
10 third-party review of all financing and underwriting proposed by the
11 Developer for the Project and report the details of said review to
12 the City Council. All future proposed incentives for the Project
13 shall be funded solely from the Downtown Northbank Community
14 Redevelopment Agency Fund.

15 **Section 10. Effective Date.** This Ordinance shall become
16 effective upon signature by the Mayor or upon becoming effective
17 without the Mayor's signature.

18
19 Form Approved:

20
21 /s/ Mary E. Staffopoulos

22 Office of General Counsel

23 Legislation Prepared By: Joelle J. Dillard

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