

1 Introduced by the Council President at the request of the Mayor:
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4 **ORDINANCE 2021-159**

5 AN ORDINANCE MAKING CERTAIN FINDINGS, AND
6 APPROVING AND AUTHORIZING THE EXECUTION OF AN
7 ECONOMIC DEVELOPMENT AGREEMENT ("AGREEMENT")
8 BETWEEN THE CITY OF JACKSONVILLE ("CITY") AND
9 THEOTOKOS HOLDINGS, LLC ("COMPANY"), TO SUPPORT
10 THE REDEVELOPMENT OF A VACANT OFFICE BUILDING
11 INTO APPROXIMATELY 118 MARKET-RATE HOUSING UNITS
12 LOCATED GENERALLY AT 7820 ARLINGTON EXPRESSWAY,
13 JACKSONVILLE, FLORIDA ("PROJECT"); AUTHORIZING
14 A TEN-YEAR, 75% RECAPTURE ENHANCED VALUE (REV)
15 GRANT OF NOT TO EXCEED \$820,000; APPROVING AND
16 AUTHORIZING THE EXECUTION OF DOCUMENTS BY THE
17 MAYOR, OR HIS DESIGNEE, AND CORPORATION
18 SECRETARY; AUTHORIZING APPROVAL OF TECHNICAL
19 AMENDMENTS BY THE EXECUTIVE DIRECTOR OF THE
20 OFFICE OF ECONOMIC DEVELOPMENT ("OED");
21 PROVIDING FOR OVERSIGHT BY THE OED; PROVIDING A
22 DEADLINE FOR THE COMPANY TO EXECUTE THE
23 AGREEMENT; REQUESTING A WAIVER OF THE PUBLIC
24 INVESTMENT POLICY ADOPTED BY ORDINANCE 2016-382-
25 E, AS AMENDED; PROVIDING AN EFFECTIVE DATE.

26
27 **WHEREAS**, Theotokos Holdings, LLC (the "Company") has committed
28 to redevelop a vacant and deteriorating office building into 118
29 market rate rental apartments within a designated Level II Distressed
30 Area by December 31, 2023, all as further described in the Project
31 Summary attached hereto as **Exhibit 1** and incorporated herein by this

1 reference; and

2 **WHEREAS**, for the reasons more fully described in the Project
3 Summary, the payment of the REV Grant in such amounts serves a
4 paramount public purpose; and

5 **WHEREAS**, the OED has reviewed the application submitted by the
6 Company for community development; and, together with representatives
7 of the City, negotiated the Agreement. Accordingly, based upon the
8 contents of the Agreement, it has been determined that the Agreement
9 and the uses contemplated therein to be in the public interest, and
10 that the public actions and financial assistance contemplated in the
11 Agreement take into account and give consideration to the long-term
12 public interests and public interest benefits to be achieved by the
13 City; and

14 **WHEREAS**, the Company has requested the City to enter into an
15 agreement in substantially the form placed **On File** with the Office
16 of Legislative Services; now therefore,

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

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

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

21 (b) The location of the Company's Project in Jacksonville,
22 Florida, is more particularly described in the Agreement. The Project
23 will promote and further the public and municipal purposes of the
24 City.

25 (c) Enhancement of the City's tax base and revenues, are matters
26 of State and City policy and State and City concern in order that the
27 State and its counties and municipalities, including the City, shall
28 not continue to be endangered by unemployment, underemployment,
29 economic recession, poverty, crime and disease, and consume an
30 excessive proportion of the State and City revenues because of the
31 extra services required for police, fire, accident, health care,

1 elderly care, charity care, hospitalization, public housing and
2 housing assistance, and other forms of public protection, services
3 and facilities.

4 (d) The provision of the City's assistance as identified in the
5 Agreement is necessary and appropriate to make the Project feasible;
6 and the City's assistance is reasonable and not excessive, taking
7 into account the needs of the Company to make the Project economically
8 and financially feasible, and the extent of the public benefits
9 expected to be derived from the Project, and taking into account all
10 other forms of assistance available.

11 (e) The Company is qualified to carry out and complete the
12 construction and equipping of the Project, in accordance with the
13 Agreement.

14 (f) The authorizations provided by this Ordinance are for public
15 uses and purposes for which the City may use its powers as a county,
16 municipality and as a political subdivision of the State of Florida
17 and may expend public funds, and the necessity in the public interest
18 for the provisions herein enacted is hereby declared as a matter of
19 legislative determination.

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

23 **Section 2. Economic Development Agreement Approved.** There
24 is hereby approved, and the Mayor and Corporation Secretary are
25 authorized to execute and deliver, for and on behalf of the City, an
26 agreement between the City and the Company, substantially in the form
27 placed **On File** with the Office of Legislative Services (with such
28 "technical" changes as herein authorized), for the purpose of
29 implementing the recommendations of the OED, as are further described
30 in the Project Summary attached hereto as **Exhibit 1**.

31 The Agreement may include such additions, deletions and changes

1 as may be reasonable, necessary and incidental for carrying out the
2 purposes thereof, as may be acceptable to the Mayor, or his designee,
3 with such inclusion and acceptance being evidenced by execution of
4 the Agreement by the Mayor or his designee. No modification to the
5 Agreement may increase the financial obligations or the liability of
6 the City and any such modification shall be technical only and shall
7 be subject to appropriate legal review and approval of the General
8 Counsel, or his or her designee, and all other appropriate action
9 required by law. "Technical" is herein defined as including, but not
10 limited to, changes in legal descriptions and surveys, descriptions
11 of infrastructure improvements and/or any road project, ingress and
12 egress, easements and rights of way, performance schedules (provided
13 that no performance schedule may be extended for more than one year
14 without City Council approval) design standards, access and site
15 plan, which have no financial impact.

16 **Section 3. Payment of REV Grant.**

17 (a) The REV Grant shall not be deemed to constitute a debt,
18 liability, or obligation of the City or of the State of Florida or
19 any political subdivision thereof within the meaning of any
20 constitutional or statutory limitation, or a pledge of the faith and
21 credit or taxing power of the City or of the State of Florida or any
22 political subdivision thereof, but shall be payable solely from the
23 funds provided therefor as provided in this Section. The Agreement
24 shall contain a statement to the effect that the City shall not be
25 obligated to pay any installment of its financial assistance to the
26 Company except from the non-ad valorem revenues or other legally
27 available funds provided for that purpose, that neither the faith and
28 credit nor the taxing power of the City or of the State of Florida
29 or any political subdivision thereof is pledged to the payment of any
30 portion of such financial assistance, and that the Company, or any
31 person, firm or entity claiming by, through or under the Company, or

1 any other person whomsoever, shall never have any right, directly or
2 indirectly, to compel the exercise of the ad valorem taxing power of
3 the City or of the State of Florida or any political subdivision
4 thereof for the payment of any portion of such financial assistance.

5 (b) The Mayor, or his designee, is hereby authorized to and
6 shall disburse the annual installments of the REV Grant as provided
7 in this Section in accordance with this Ordinance and the Agreement.

8 **Section 4. Designation of Authorized Official/OED Contract**
9 **Monitor.** The Mayor is designated as the authorized official of the
10 City for the purpose of executing and delivering any contracts and
11 documents and furnishing such information, data and documents for the
12 Agreement and related documents as may be required and otherwise to
13 act as the authorized official of the City in connection with the
14 Agreement, and is further authorized to designate one or more other
15 officials of the City to exercise any of the foregoing authorizations
16 and to furnish or cause to be furnished such information and take or
17 cause to be taken such action as may be necessary to enable the City
18 to implement the Agreement according to its terms. The OED is hereby
19 required to administer and monitor the Agreement and to handle the
20 City's responsibilities thereunder, including the City's
21 responsibilities under such Agreement working with and supported by
22 all relevant City departments.

23 **Section 5. Further Authorizations.** The Mayor, or his
24 designee, and the Corporation Secretary, are hereby authorized to
25 execute and deliver the Agreement and all other contracts and
26 documents and otherwise take all necessary action in connection
27 therewith and herewith. The Executive Director of the OED, as contract
28 administrator, is authorized to negotiate and execute all necessary
29 changes and amendments to the Agreement and other contracts and
30 documents, to effectuate the purposes of this Ordinance, without
31 further Council action, provided such changes and amendments are

1 limited to amendments that are technical in nature (as described in
2 Section 2 hereof), and further provided that all such amendments
3 shall be subject to appropriate legal review and approval by the
4 General Counsel, or his or her designee, and all other appropriate
5 official action required by law.

6 **Section 6. Oversight Department.** The OED shall oversee the
7 Project described herein.

8 **Section 7. Execution of Agreement.** If the Agreement
9 approved by this Ordinance has not been signed by the Company within
10 ninety (90) days after the OED delivers or mails the unexecuted
11 Agreement to the Company for execution, then the City Council
12 approvals in this Ordinance and authorization for the Mayor to execute
13 the Agreement are automatically revoked; provided, however, that the
14 Executive Director of the OED shall have the authority to extend such
15 ninety (90) day period in writing at his discretion for up to an
16 additional ninety (90) days.

17 **Section 8. Waiver of Public Investment Policy.** The
18 following requirements of the Public Investment Policy adopted by
19 City Council Ordinance 2016-382-E, as amended, are hereby waived:
20 that in order to be eligible for a REV Grant a minimum of ten new
21 jobs must be created and the Project must be for a targeted industry
22 business or for job creation.

23 **Section 9. Effective Date.** This Ordinance shall become
24 effective upon signature by the Mayor or upon becoming effective
25 without the Mayor's signature.

26
27 Form Approved:

28
29 /s/ John Sawyer

30 Office of General Counsel

31 Legislation Prepared By: John Sawyer

