

1 Introduced by the Council President at the request of the Mayor and  
2 Co-Sponsored by Council Member Miller and amended by the Rules  
3 Committee:

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6 **RESOLUTION 2024-418-A**

7 A RESOLUTION MAKING CERTAIN FINDINGS, AND  
8 AUTHORIZING THE MAYOR, OR HER DESIGNEE, AND  
9 CORPORATION SECRETARY TO EXECUTE AN ECONOMIC  
10 DEVELOPMENT AGREEMENT ("AGREEMENT") BETWEEN  
11 THE CITY OF JACKSONVILLE ("CITY") AND FOC QOF,  
12 LLC ("DEVELOPER"), TO SUPPORT THE RESTORATION  
13 AND RENOVATION BY DEVELOPER OF FOUR PARCELS OF  
14 LAND: (1) LAND AND BUILDINGS LOCATED AT 2335  
15 MARKET STREET, 2320 N. LIBERTY STREET, AND  
16 2336 N. LIBERTY STREET (THE "PHASE ONE  
17 IMPROVEMENTS"); AND (2) LAND AND BUILDINGS  
18 LOCATED AT 2303 MARKET STREET (THE "PHOENIX  
19 BUILDING"), AND 2402 MARKET STREET, 2401  
20 HUBBARD STREET, AND THE PARCEL LOCATED AT THE  
21 SOUTHWEST CORNER OF MARKET STREET AND 15<sup>TH</sup>  
22 STREET EAST (THE "BUNKER BUILDING  
23 IMPROVEMENTS") (COLLECTIVELY THE "PHASE TWO  
24 IMPROVEMENTS"), TO INCLUDE RESTAURANT  
25 IMPROVEMENTS, ARTISTS' STUDIOS, CO-WORKING  
26 SPACES, EVENT SPACE, OFFICE AND RETAIL SPACE  
27 (THE "PROJECT"); AUTHORIZING A FIFTY PERCENT,  
28 FIFTEEN YEAR RECAPTURE ENHANCED VALUE (REV)  
29 GRANT IN THE MAXIMUM AMOUNT NOT TO EXCEED  
30 \$1,500,000 IN CONNECTION WITH THE CONSTRUCTION  
31 OF THE IMPROVEMENTS; APPROVING AND AUTHORIZING

1 A PHASE ONE COMPLETION GRANT IN THE AMOUNT OF  
2 \$2,000,000 TO THE DEVELOPER UPON SUBSTANTIAL  
3 COMPLETION OF THE PHASE ONE IMPROVEMENTS, TO  
4 BE APPROPRIATED BY SUBSEQUENT LEGISLATION;  
5 APPROVING AND AUTHORIZING A PHASE TWO  
6 COMPLETION GRANT IN THE AMOUNT OF \$2,000,000  
7 TO DEVELOPER, PAYABLE IN TWO INSTALLMENTS OF  
8 \$1,000,000 AFTER COMPLETION OF EACH OF THE  
9 BUNKER BUILDING IMPROVEMENTS AND THE PHOENIX  
10 BUILDING IMPROVEMENTS COMPRISING THE PHASE TWO  
11 IMPROVEMENTS, TO BE APPROPRIATED BY SUBSEQUENT  
12 LEGISLATION; DESIGNATING THE OED AS CONTRACT  
13 MONITOR FOR THE AGREEMENT; PROVIDING FOR CITY  
14 OVERSIGHT OF THE PROJECT BY THE DEPARTMENT OF  
15 PUBLIC WORKS AND THE OED; AUTHORIZING THE  
16 EXECUTION OF ALL DOCUMENTS RELATING TO THE  
17 ABOVE AGREEMENTS AND TRANSACTIONS, AND  
18 AUTHORIZING TECHNICAL CHANGES TO THE  
19 DOCUMENTS; PROVIDING A DEADLINE FOR THE  
20 COMPANY TO EXECUTE THE AGREEMENT; WAIVER OF  
21 THE PUBLIC INVESTMENT POLICY ADOPTED BY  
22 ORDINANCE 2022-372-E, AS AMENDED, TO AUTHORIZE  
23 THE COMPLETION GRANTS THAT ARE NOT CURRENTLY  
24 AUTHORIZED BY THE PUBLIC INVESTMENT POLICY;  
25 PROVIDING AN EFFECTIVE DATE.

26  
27 **WHEREAS,** FOC QOF, LLC (the "Developer") has submitted a  
28 proposal for the development of certain real property owned by the  
29 Developer and located generally at 2320 and 2336 N. Liberty Street,  
30 2335, 2303 and 2402 Market Street, 2401 Hubbard Street, and the  
31 parcel located at the southwest corner of Market Street and 15<sup>th</sup>

1 Street East, within the City, which the Developer intends to  
2 develop into restaurant improvements, artists' studios, co-working  
3 spaces, offices, retail and event space at an estimated cost of  
4 \$37,941,500 (the "Project"), as further detailed in the Economic  
5 Development Agreement ("Agreement") placed **On File** with the  
6 Legislative Services Division; and

7 **WHEREAS**, the Agreement authorizes: (1) a 15 year, 50% REV  
8 Grant in the maximum amount of \$1,500,000; (2) a Phase One  
9 Completion Grant in the amount of \$2,000,000 payable upon  
10 substantial completion of the Phase One Improvements; and (3) a  
11 Phase Two Completion Grant in the aggregate amount of \$2,000,000,  
12 payable in two, \$1,000,000 installments upon substantial completion  
13 of each of the Bunker Building Improvements and Phoenix Building  
14 Improvements comprising the Phase Two Improvements; and

15 **WHEREAS**, the Office of Economic Development ("OED") has  
16 considered the Developer's requests and has determined that the REV  
17 Grant and Completion Grants will enable the Developer to develop  
18 the property and complete the Project as further described in the  
19 Agreement; and

20 **WHEREAS**, it has been determined to be in the interest of the  
21 City to enter into the Agreement and approve of and adopt the  
22 matters set forth in this Resolution; and

23 **WHEREAS**, the Developer has requested the City to enter into  
24 an agreement in substantially the form placed **On File** with the  
25 Legislative Services Division; now therefore

26 **BE IT RESOLVED** by the Council of the City of Jacksonville:

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

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

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

1 (c) The City's assistance for the Project will enable and  
2 facilitate the Project, the Project will enhance and increase the  
3 City's tax base and revenues, and the Project will improve the  
4 quality of life necessary to encourage and attract business  
5 expansion in the City.

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

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

9 (f) The authorizations provided by this Resolution are for  
10 public uses and purposes for which the City may use its powers as a  
11 municipality and as a political subdivision of the State of Florida  
12 and may expend public funds, and the necessity in the public  
13 interest for the provisions herein enacted is hereby declared as a  
14 matter of legislative determination.

15 (g) This Resolution is adopted pursuant to the provisions of  
16 Chapters 163, 166 and 125, Florida Statutes, as amended, the City's  
17 Charter, and other applicable provisions of law.

18 **Section 2. Economic Development Agreement Approved.** The  
19 Mayor (or her authorized designee) and the Corporation Secretary  
20 are hereby authorized to execute and deliver the Agreement and  
21 related documents referenced therein (collectively, the  
22 "Agreements") substantially in the form **On File** with the  
23 Legislative Services Division (with such "technical" changes as  
24 herein authorized), for the purpose of implementing the  
25 recommendations of the OED.

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 of the Agreements by the Mayor or her designee. No  
31 modification to the Agreements may increase the financial

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

12 **Section 3. Payment of REV Grant to Developer.**

13 (a) The REV Grant in the amount not to exceed \$1,500,000, the  
14 terms of which are more specifically described in the Agreement,  
15 shall not be deemed to constitute a debt, liability, or obligation  
16 of the City or of the State of Florida or any political subdivision  
17 thereof within the meaning of any constitutional or statutory  
18 limitation, or a pledge of the faith and credit or taxing power of  
19 the City or of the State of Florida or any political subdivision  
20 thereof, but shall be payable solely from the funds provided  
21 therefor as provided in this Section. The Agreement shall contain  
22 a statement to the effect that the City shall not be obligated to  
23 pay any installment of its financial assistance to the Developer  
24 except from the non-ad valorem revenues or other legally available  
25 funds provided for that purpose, that neither the faith and credit  
26 nor the taxing power of the City or of the State of Florida or any  
27 political subdivision thereof is pledged to the payment of any  
28 portion of such financial assistance, and that the Developer, or  
29 any person, firm or entity claiming by, through or under the  
30 Developer, or any other person whomsoever, shall never have any  
31 right, directly or indirectly, to compel the exercise of the ad

1 valorem taxing power of the City or of the State of Florida or any  
2 political subdivision thereof for the payment of any portion of  
3 such financial assistance.

4 (b) The OED is hereby authorized to and shall disburse the  
5 annual installments of the REV Grant to the Developer as provided  
6 in this Section in accordance with this Resolution and the  
7 Agreement.

8 **Section 4. Payment of Phase One Completion Grant to**  
9 **Developer.** The Phase One Completion Grant is hereby authorized,  
10 and, subject to subsequent appropriation by Council, the City is  
11 authorized to disburse the Phase One Completion Grant to the  
12 Developer in an amount not to exceed \$2,000,000, pursuant to and as  
13 set forth in the Agreement.

14 **Section 5. Payment of Phase Two Completion Grant to**  
15 **Developer.** The Phase Two Completion Grant is hereby authorized,  
16 and, subject to subsequent appropriation by Council, the City is  
17 authorized to disburse the Phase Two Completion Grant to the  
18 Developer in an amount not to exceed \$2,000,000, pursuant to and as  
19 set forth in the Agreement.

20 **Section 6. Designation of Authorized Official and OED as**  
21 **Contract Monitor.** The Mayor is designated as the authorized  
22 official of the City for the purpose of executing and delivering  
23 any contracts and documents and furnishing such information, data  
24 and documents for the Agreements and related documents as may be  
25 required and otherwise to act as the authorized official of the  
26 City in connection with the Agreements, and is further authorized  
27 to designate one or more other officials of the City to exercise  
28 any of the foregoing authorizations and to furnish or cause to be  
29 furnished such information and take or cause to be taken such  
30 action as may be necessary to enable the City to implement the  
31 Agreements according to their terms. The OED is hereby required to

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

5 **Section 7. Oversight Department.** The Department of Public  
6 Works and the OED shall oversee the Project described herein.

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

16 **Section 9. Further Authorizations.** The Mayor, or her  
17 designee, and the Corporation Secretary, are hereby authorized to  
18 execute the Agreements and all other contracts and documents and  
19 otherwise take all necessary action in connection therewith and  
20 herewith. The Executive Director of the OED, as contract  
21 administrator, is authorized to negotiate and execute all necessary  
22 changes and amendments to the Agreements and other contracts and  
23 documents, to effectuate the purposes of this Resolution, without  
24 further Council action, provided such changes and amendments are  
25 limited to amendments that are technical in nature (as described in  
26 Section 2 hereof), and further provided that all such amendments  
27 shall be subject to appropriate legal review and approval by the  
28 General Counsel, or his designee, and all other appropriate  
29 official action required by law.

30 **Section 10. Waiver of Public Investment Policy.** The  
31 requirements of the Public Investment Policy adopted by City

1 Council Ordinance 2022-372-E, as amended, are waived to authorize  
2 the Phase One and Phase Two Completion Grants that are not  
3 currently authorized under the Public Investment Policy. The  
4 waiver is justified due to the fact that the proposed Project is  
5 expected to generate a private capital investment of approximately  
6 \$37,941,500 and increase ad valorem taxes payable to the City and  
7 Duval County School Board.

8 **Section 11. Effective Date.** This Resolution shall become  
9 effective upon signature by the Mayor or upon becoming effective  
10 without the Mayor's signature.

11  
12 Form Approved:

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14           /s/ Mary E. Staffopoulos          

15 Office of General Counsel

16 Legislation Prepared By: John Sawyer

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