

1 Introduced by the Council President at the request of the Mayor:
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4 **ORDINANCE 2023-618-E**

5 AN ORDINANCE AUTHORIZING AND APPROVING: (1) AN
6 AMENDMENT TWO TO THE ECONOMIC DEVELOPMENT
7 AGREEMENT BETWEEN THE CITY OF JACKSONVILLE
8 ("CITY") AND LIQUIDPROOF, LLC ("COMPANY"), (2)
9 A MORTGAGE MODIFICATION AGREEMENT BETWEEN THE
10 CITY AND COMPANY, AND (3) AN AMENDED AND
11 RESTATED PROMISSORY NOTE BETWEEN COMPANY AND THE
12 CITY, FOR THE PURPOSE OF EXTENDING THE MATURITY
13 DATE OF THE LOAN FROM JUNE 1, 2023 TO JUNE 1,
14 2033, AND REAMORTIZING THE REMAINING BALANCE OF
15 THE LOAN AT THE CURRENT INTEREST RATE THROUGH
16 THE EXTENDED LOAN TERM, THE ORIGINAL LOAN HAVING
17 BEEN AUTHORIZED BY ORDINANCE 2017-448-E;
18 AUTHORIZING SUCH OTHER CLOSING DOCUMENTS AND
19 TECHNICAL CHANGES AS MAY BE REQUIRED BY THE
20 GENERAL COUNSEL, OR HIS OR HER DESIGNEE, AND THE
21 MAYOR'S OFFICE, PROVIDED THAT THE CITY'S COSTS
22 ARE NOT INCREASED; PROVIDING FOR CITY OVERSIGHT
23 BY THE OFFICE OF ECONOMIC DEVELOPMENT; PROVIDING
24 AN EFFECTIVE DATE.
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26 **WHEREAS,** Liquidproof, LLC ("Company") committed to convert and
27 renovate its existing facility to serve as a distillery, which
28 facility is located at 2917 Borden Street, Jacksonville, Florida (the
29 "Project"); and

30 **WHEREAS,** the Northwest Jacksonville Economic Development Fund
31 ("NWJEDF") Advisory Board approved the funding of the Project and a

1 loan for the Project in the amount of \$61,000 was subsequently
2 approved by City Council pursuant to Ordinance 2017-448-E, as further
3 detailed in the Project Summary attached hereto as **Exhibit 1**; and

4 **WHEREAS**, the Project is complete and operational; and

5 **WHEREAS**, the maturity date of the loan was June 1, 2023, at
6 which time a balloon payment of principal and interest in the amount
7 of approximately \$49,000.00 was due; and

8 **WHEREAS**, Company was unable to make the balloon payment at
9 that time, but is up to date on all reporting requirements as set
10 forth in the Economic Development Agreement, and the remaining
11 principal balance on the loan as of August 1, 2023 is approximately
12 \$49,103.00; and

13 **WHEREAS**, the Northwest Jacksonville Economic Development Fund
14 Board approved re-amortizing the loan principal balance and extending
15 the term of the loan for a period of ten years at its August 21, 2023
16 meeting; now therefore

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

18 **Section 1. Authorizing and Approving the Amendment to**
19 **Economic Development Agreement, Mortgage Modification Agreement,**
20 **Amended and Restated Promissory Note and related loan documents.** The
21 Council hereby approves and authorizes the Mayor, or his designee,
22 and the Corporate Secretary to execute the following documents: (a)
23 Amendment Two to Economic Development Agreement substantially in the
24 form attached hereto as **Exhibit 2**, and (b) Mortgage, Collateral
25 Assignment and Loan Document Modification Agreement substantially in
26 the form attached hereto as **Exhibit 3**; and accept an Amended and
27 Restated Promissory Note substantially in the form attached hereto
28 as **Exhibit 4** (collectively the "Modification Agreements"), with such
29 "technical" changes to such Modification Agreements as herein
30 authorized. The Modification Agreements may include such additions,
31 deletions, and changes as may be reasonable, necessary, and incidental

1 for carrying out the purposes thereof, as may be acceptable to the
2 Mayor or her designee with such inclusion and acceptance being
3 evidenced by execution of the Modification Agreements by the Mayor
4 or her designee. No modification to the Modification Agreements may
5 increase the financial obligations or the liability of the City and
6 any such modifications shall be technical only and shall be subject
7 to appropriate legal review and approval by the General Counsel, or
8 his designee, and all other appropriate action required by law
9 ("technical" is herein defined as including, but not limited to,
10 legal descriptions and surveys, ingress and egress, easements and
11 rights of way, design standards, access and site plan). A copy of the
12 final anticipated amortization schedule for the loan is attached
13 hereto as part of **Exhibit 2**.

14 **Section 2. Requiring other Closing Documents.** As a
15 condition to the City's execution of the Modification Agreements,
16 Company shall be required to execute and/or deliver to the City such
17 additional closing documents and title insurance endorsements as may
18 be required by the General Counsel, or his or her designee, and the
19 Executive Director of the Office of Economic Development to protect
20 the City's interests, and Company shall be required to pay all closing
21 costs, including title and recording fees and documentary stamp taxes,
22 if any.

23 **Section 3. Further Authorizations.** The Mayor, or her
24 designee, and the Corporation Secretary are hereby authorized to
25 execute the Modification Agreements and all other contracts and
26 documents and otherwise take all necessary action in connection
27 therewith and herewith. The Executive Director of the Office of
28 Economic Development, as contract administrator, is authorized to
29 negotiate and execute all necessary changes and amendments to the
30 Modification Agreements and other contracts and documents to
31 effectuate the purposes of this ordinance without further Council

1 action, provided such changes and amendments are limited to "technical
2 amendments" and do not change the financial obligations between the
3 parties and, further provided, that all such amendments shall be
4 subject to appropriate legal review and approval by the General
5 Counsel, or his designee, and all other appropriate official action
6 required by law. The term "technical amendments" as used in this
7 section shall include, but not be limited to, changes in legal
8 descriptions and surveys, description of infrastructure improvements
9 and/or any road project, ingress and egress, easements and rights of
10 way, design standards, vehicle access and site plan which have no
11 financial impact.

12 **Section 4. Departmental Oversight.** The Office of Economic
13 Development shall oversee the agreements described herein.

14 **Section 5. Effective Date.** This Ordinance shall become
15 effective upon signature by the Mayor or upon becoming effective
16 without the Mayor's signature.

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18 Form Approved:

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20 /s/ Mary E. Staffopoulos

21 Office of General Counsel

22 Legislation Prepared By: John Sawyer

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