

1 Introduced by the Council President at the request of the DIA:
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4 **ORDINANCE 2023-85**

5 AN ORDINANCE APPROVING AND AUTHORIZING THE CHIEF
6 EXECUTIVE OFFICER OF THE DOWNTOWN INVESTMENT
7 AUTHORITY ("DIA") TO EXECUTE AND DELIVER ON
8 BEHALF OF THE CITY OF JACKSONVILLE THAT CERTAIN
9 DEVELOPMENT AGREEMENT ("DEVELOPMENT AGREEMENT")
10 BETWEEN THE DOWNTOWN INVESTMENT AUTHORITY
11 ("DIA") AND THE JACKSONVILLE HISTORIC NAVAL SHIP
12 ASSOCIATION, INC. ("JHNSA"), FOR THE RELOCATION
13 OF THE RETIRED NAVAL VESSEL USS ORLECK (DD-886)
14 ("USS ORLECK") IN DOWNTOWN JACKSONVILLE AS A
15 FLOATING MUSEUM ("SHIP MUSEUM"), TO PIER ONE AT
16 THE FORMER JACKSONVILLE SHIPYARD SITE ON
17 JACKSONVILLE'S NORTHBANK, SAID AGREEMENT BEING
18 FOR A CERTAIN TERM AND CONTINGENT UPON CERTAIN
19 CONDITIONS PRECEDENT BEING MET BY JHNSA PRIOR TO
20 THE CITY'S ENTERING INTO (1) A TEN (10) YEAR
21 LICENSE AGREEMENT WITH JHNSA, WITH TWO (2) FIVE
22 (5) YEAR LICENSE RENEWAL OPTIONS, SUBJECT TO THE
23 MUTUAL AGREEMENT OF THE PARTIES, FOR JHNSA TO
24 CONSTRUCT, OPERATE AND MAINTAIN THE SHIP MUSEUM,
25 AND (2) A LICENSE AGREEMENT FOR AN UP TO TWO (2)
26 YEAR TERM UNLESS EXTENDED BY THE CHIEF EXECUTIVE
27 OFFICER OF THE DIA AS PROVIDED THEREIN, FOR
28 JHNSA TO INSTALL IMPROVEMENTS TO SUPPORT
29 TEMPORARY ACCESS TO THE SHIP MUSEUM ("LICENSE
30 AGREEMENTS"); AUTHORIZING THE DIA TO EXECUTE
31 TECHNICAL AMENDMENTS TO THE DEVELOPMENT

1 AGREEMENT AND LICENSE AGREEMENTS IN ACCORDANCE
2 WITH THE TERMS OF THE DEVELOPMENT AGREEMENT AND
3 LICENSE AGREEMENTS WITHOUT FURTHER COUNCIL
4 APPROVAL; PROVIDING A DEADLINE FOR JHNSA TO
5 EXECUTE THE DEVELOPMENT AGREEMENT AND LICENSE
6 AGREEMENTS; PROVIDING FOR OVERSIGHT BY THE DIA;
7 PROVIDING AN EFFECTIVE DATE.

8
9 **WHEREAS**, the City Council in Ordinance 2021-358-E and the
10 Downtown Investment Authority ("DIA") in DIA Resolution 2020-01-02
11 previously expressed their support of the efforts by the Jacksonville
12 Historic Naval Ship Association, Inc. ("JHNSA") to bring the retired
13 naval vessel USS Orleck to Jacksonville as a downtown floating museum
14 (the "Ship Museum") by approving the execution of a certain
15 development agreement ("Prior Development Agreement") and license
16 agreement ("Prior License Agreement") between JHNSA and the DIA; and

17 **WHEREAS**, the City Council determined that establishing and
18 operating the USS Orleck in downtown Jacksonville as a Ship Museum
19 and tourist attraction at Pier One on the north bank of the St. Johns
20 River and the operation of the Ship Museum (collectively, the
21 "Project") would benefit the City, the Navy, and the public; and

22 **WHEREAS**, the Prior Development Agreement was executed by the
23 parties, and JHNSA acquired the USS Orleck, brought the ship to
24 Jacksonville, and temporarily moored the ship on the Northbank
25 bulkhead; and

26 **WHEREAS**, the City Council enacted Ordinance 2022-875-E granting
27 a temporary construction easement that allowed the JHNSA to begin
28 installation of the mooring improvements necessary for relocation of
29 the ship to Pier One; and

30 **WHEREAS**, the Prior Development Agreement is scheduled to expire
31 on March 31, 2023, and the pre-conditions to enter into the Prior

1 License Agreement have not been met; and

2 **WHEREAS**, the DIA has reevaluated the Project and has proposed a
3 new development agreement ("Development Agreement"), a new license
4 agreement to accommodate the mooring of the USS Orleck at Pier One
5 ("Submerged Lands License Agreement"), and a new license agreement
6 for the use of a temporary area on the uplands to facilitate immediate
7 access to the Ship Museum ("Temporary Area License Agreement" and
8 together with the Submerged Lands License Agreement, the "License
9 Agreements"), to ensure the Project's overall operation at Pier One
10 is satisfactory and contributing to the City, including the obligation
11 of JHNSA to relocate or remove the USS Orleck, at no cost to the
12 City, if JHNSA breaches the Development Agreement or the License
13 Agreements; and

14 **WHEREAS**, the DIA, pursuant to its Resolution 2023-01-02 dated
15 January 18, 2023, attached hereto as **Exhibit 1**, has requested that
16 the City Council of the City of Jacksonville, Florida approve this
17 Ordinance; now therefore,

18 **BE IT ORDAINED** by the City Council of the City of
19 Jacksonville:

20 **Section 1. Recitals Correct.** The above recitals are true
21 and correct, and by this reference are incorporated herein.

22 **Section 2. Authorization.** There is hereby approved and the
23 Chief Executive Officer of the DIA is hereby authorized to execute
24 and deliver (1) the Development Agreement between the DIA and JHNSA
25 for the relocation of the USS Orleck to Pier One in Downtown
26 Jacksonville and the operation of the USS Orleck as a floating museum
27 ("Ship Museum") at the former Jacksonville Shipyard site in
28 Jacksonville's Northbank Downtown Community Redevelopment Area, (2)
29 the Submerged Lands License Agreement for JHNSA to construct, operate
30 and maintain the Ship Museum, for a ten (10) year term, together with
31 two (2) five (5) year license renewal options subject to the mutual

1 agreement of the parties, upon JHNSA's satisfaction of certain
2 conditions precedent contained in the Development Agreement, and (3)
3 the Temporary Area License Agreement for the use of a temporary area
4 to facilitate access to the Ship Museum, for a term of up to two (2)
5 years unless extended by the Chief Executive Officer of the DIA as
6 provided therein, (collectively, the "Agreements") all being
7 substantially in the form as placed **On File** with the Legislative
8 Services Division, (with such "technical" changes as herein
9 authorized), for the purpose of implementing the recommendations of
10 the DIA to effectuate the purpose of this Ordinance and all such
11 other documents, necessary or appropriate to effectuate the purpose
12 of this Ordinance.

13 The Agreements may include such additions, deletions and changes
14 as may be reasonable, necessary and incidental for carrying out the
15 purposes thereof, as may be acceptable to the Chief Executive Officer
16 of the DIA, or her designee, with such inclusion and acceptance being
17 evidenced by execution of the Agreements by the Chief Executive
18 Officer of the DIA, or her designee; provided however, no modification
19 to the Agreements may increase the financial obligations or liability
20 of the City or the Downtown Investment Authority to an amount in
21 excess of the amount stated in the Agreements or decrease the
22 financial obligations or liability of JHNSA, and any such modification
23 shall be technical only and shall be subject to appropriate legal
24 review and approval by the Office of General Counsel. For purposes
25 of this Ordinance, the term "technical changes" is defined as
26 including, but not limited to, changes in legal descriptions or
27 surveys, descriptions of infrastructure improvements and/or any road
28 project, ingress and egress, easements and rights of way, design
29 standards, performance schedules (provided that no performance
30 schedule may be extended for more than six (6) months without DIA
31 Board approval), access and site plan, resolution of title defects,

1 if any, and other non-substantive changes that do not substantively
2 increase the duties and responsibilities or financial obligations of
3 the City or the Downtown Investment Authority under the provisions
4 of the Agreements.

5 **Section 3. Additional Authorization.** The Chief Executive
6 Officer of the DIA is hereby authorized to execute additional
7 amendments to Agreements as authorized in accordance with the terms
8 of the Agreements, so long as the amendments to the Agreements are
9 technical amendments that do not increase the financial obligations
10 of the City or the Downtown Investment Authority.

11 **Section 4. Execution of the Agreements.** If the conditions
12 precedent to the Agreements approved by this Resolution have not been
13 satisfied and the Agreements have not been signed by JHNSA by March
14 21, 2023, then the City Council approvals in this Resolution and
15 authorization for the Chief Executive Officer of the DIA to execute
16 the Agreements are automatically revoked; provided, however, that the
17 Chief Executive Officer of the DIA shall have the authority to extend
18 such period in writing at her discretion for up to an additional ten
19 (10) days.

20 **Section 5. Oversight Department.** The DIA shall oversee the
21 Project in accordance with this Ordinance and the Agreements.

22 **Section 6. Effective Date.** This Ordinance shall become
23 effective upon signature by the Mayor or upon becoming effective
24 without the Mayor's signature.

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26 Form Approved:

27
28 /s/Joelle J. Dillard

29 Office of General Counsel

30 Legislation prepared by Joelle J. Dillard

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