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ORDINANCE 2022-173

ΑN ORDINANCE MAKING CERTAIN FINDINGS; AUTHORIZING THE MAYOR, OR HIS DESIGNEE, TO EXECUTE AND DELIVER: (1) A LEASE AGREEMENT ("LEASE") BETWEEN THE CITY OF JACKSONVILLE ("CITY") AND DOWNTOWN VISION, INC. ("TENANT"), FOR THE LEASE OF 20,660 SQUARE FEET ON THE GROUND FLOOR OF THE DUVAL STREET (LIBRARY) GARAGE (THE "PREMISES") LOCATED AT 33 WEST DUVAL STREET, WITH AN INITIAL LEASE TERM OF TEN YEARS WITH TWO, FIVE YEAR RENEWAL TERMS, AT A LEASE RATE OF \$289,239.96 YEAR, PLUS FIXED PER OPERATING COSTS OF \$48,430.80 PER YEAR, SUBJECT TO A RENT SET OFF IN THE AMOUNT OF THE VALUE OF SERVICES PROVIDED BY TENANT TO THE CITY; AND (2) A CAPITAL MAINTENANCE AND CAPITAL IMPROVEMENTS COSTS DISBURSEMENT AGREEMENT ("COSTS DISBURSEMENT AGREEMENT") BETWEEN THE CITY AND FOR CERTAIN IMPROVEMENTS TENANT TO ΒE CONSTRUCTED AND MAINTAINED ON THE PREMISES (THE "PROJECT"); WAIVING PROVISIONS OF CHAPTER 126 (PROCUREMENT CODE), ORDINANCE CODE, WITH RESPECT TO THE PROJECT, AND TO ALLOW THE CITY TO DIRECTLY CONTRACT WITH THE TENANT FOR THE PROJECT; DESIGNATING THE DIA AS CONTRACT MONITOR FOR THE COSTS DISBURSEMENT LEASE AND AGREEMENT; PROVIDING FOR CITY OVERSIGHT OF THE PROJECT BY THE DEPARTMENT OF PUBLIC WORKS AND THE DOWNTOWN INVESTMENT AUTHORITY; AUTHORIZING THE EXECUTION

OF ALL DOCUMENTS RELATING TO THE ABOVE AGREEMENTS AND TRANSACTIONS, AND AUTHORIZING TECHNICAL CHANGES TO THE DOCUMENTS; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City owns a parking garage located at 33 West Duval Street (the "Duval Street (Library) Garage") which is located within the Combined Northbank Community Redevelopment Area ("Northbank CRA");

WHEREAS, pursuant to Ordinance 2012-0364-E, the Downtown Investment Authority ("DIA") is the City's Community Redevelopment Agency for the Northbank CRA and the DIA is authorized to negotiate redevelopment agreements and lease City assets located in the Northbank CRA;

WHEREAS, Downtown Vision, Inc. ("Tenant") submitted a proposal to the DIA for the lease of approximately 20,660 square feet of currently vacant and unfinished ground floor space within the Duval Street (Library) Garage (the "Premises") including the option to construct certain improvements within the Premises on behalf of the City (the "Project");

WHEREAS, the DIA has considered the Tenant's proposal and has determined that the Lease and Costs Disbursement Agreement authorized hereby are in the best interest of the City and the DIA and will enable the Tenant to construct the Project and lease the Premises for its use as a service provider to the City;

WHEREAS, the Project is consistent with the DIA BID/CRA Plan, and furthers Redevelopment Goal 1, Reinforce Downtown as the City's unique epicenter for business, history, culture, education and entertainment, Redevelopment Goal 3, Simplify the approval process for Downtown development and improve departmental and agency coordination, Redevelopment Goal 4, Improve walkability/bikeability

and connectivity to adjacent neighborhoods and the St. Johns River while creating highly walkable nodes; and Redevelopment Goal 7, Use planning and economic development policies to promote design for healthy living;

WHEREAS, on November 17, 2021, the DIA Board approved a resolution (the "Resolution") to issue a Notice of Disposition, and thereafter to enter into the Lease and Costs Disbursement Agreement, said Resolution being attached hereto as Exhibit 1; and

WHEREAS, it has been determined to be in the interest of the City to enter into the Lease and Costs Disbursement Agreement and approve of and adopt the matters set forth in this Ordinance; now, therefore,

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

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

- (a) The recitals set forth herein are true and correct.
- (b) The Project will greatly enhance the City and otherwise promote and further the municipal purposes of the City.
- (c) The Project will improve the quality of life necessary to encourage and attract business expansion in the City.
 - (d) The Tenant is qualified to carry out the Project.
- (e) The authorizations provided by this Ordinance are for public uses and purposes for which the City may use its powers as a municipality and as a political subdivision of the State of Florida and may expend public funds, and the necessity in the public interest for the provisions herein enacted is hereby declared as a matter of legislative determination.
- (f) This Ordinance is adopted pursuant to the provisions of Chapters 163, 166 and 125, Florida Statutes, as amended, the City's Charter, and other applicable provisions of law.
 - Section 2. Execution of Agreements. The Mayor (or his

authorized designee) and the Corporation Secretary are hereby authorized to execute and deliver the Costs Disbursement Agreement and the Lease (collectively, the "Agreements") substantially in the forms placed **On File** with the Legislative Services Division (with such "technical" changes as herein authorized). The Lease is for an initial term of ten (10) years, with two five (5) year renewal options, for approximately 20,220 square feet on the ground floor of the City owned property located at 33 West Duval Street, known generally as the Duval Street (Library) Garage, at an annual rental amount of \$289,239.96, plus fixed annual operating costs of \$48,430.80, with a rental setoff in the amount of the services provided by Tenant to the City up to the amount of annual rent and operating costs due under the Lease.

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

Section 3. Chapter 126 (Procurement Code), Ordinance Code, Waived. The provisions of Chapter 126, Ordinance Code, are hereby

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waived for the Project, except that this section shall not waive any portion of Chapter 126, Ordinance Code, pertaining to the Jacksonville Small Emerging Business Program, and the City is authorized to contract directly with Tenant for the Project

Designation of Authorized Official and DIA as Section 4. Contract Monitor. The Mayor is designated as the authorized official of the City for the purpose of executing and delivering Agreements, and the Chief Executive Officer of the DIA is designated as the authorized official of the City for the purpose of executing any additional contracts and documents and furnishing information, data and documents for the Agreements and related documents as may be required and otherwise to act as the authorized official of the City in connection with the Agreements, and take or cause to be taken such action as may be necessary to enable the City to implement the Agreements according to their terms. The DIA is hereby required to administer and monitor the Agreements and to handle the City's responsibilities thereunder, including the City's responsibilities under such agreement working with and supported by all relevant City departments.

Section 5. Oversight Department. The Department of Public Works and the Downtown Investment Authority shall oversee the Project.

Section 6. Further Authorizations. The Mayor, or his designee, and the Corporation Secretary, are hereby authorized to execute the Agreements and all other contracts and documents and otherwise take all necessary action in connection therewith and herewith. The Chief Executive Officer of the DIA, as contract administrator, is authorized to negotiate and execute all necessary changes and amendments to the Agreements and other contracts and documents, to effectuate the purposes of this Ordinance, without further Council action, provided such changes and amendments are limited to amendments that are technical in nature (as described in

Section 2 hereof), and further provided that all such amendments shall be subject to appropriate legal review and approval by the General Counsel, or his or her designee, and all other appropriate official action required by law.

Section 7. Effective Date. This Ordinance shall become effective upon signature by the Mayor or upon becoming effective without the Mayor's signature.

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Form Approved:

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/s/ Joelle J. Dillard

- Office of General Counsel
- 13 Legislation Prepared By: Joelle J. Dillard
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