

1 Introduced by the Council President at the request of the DIA & Co-  
2 Sponsored by Council Members Morgan and Gaffney and amended by the  
3 Neighborhoods, Community Services, Public Health and Safety  
4 Committee:

5  
6 **ORDINANCE 2022-173-E**

7 AN ORDINANCE MAKING CERTAIN FINDINGS;  
8 AUTHORIZING THE MAYOR, OR HIS DESIGNEE, TO  
9 EXECUTE AND DELIVER: (1) A LEASE AGREEMENT  
10 ("LEASE") BETWEEN THE CITY OF JACKSONVILLE  
11 ("CITY") AND DOWNTOWN VISION, INC. ("TENANT"),  
12 FOR THE LEASE OF 20,660 SQUARE FEET ON THE GROUND  
13 FLOOR OF THE DUVAL STREET (LIBRARY) GARAGE (THE  
14 "PREMISES") LOCATED AT 33 WEST DUVAL STREET,  
15 WITH AN INITIAL LEASE TERM OF TEN YEARS WITH  
16 TWO, FIVE YEAR RENEWAL TERMS, AT A LEASE RATE OF  
17 \$289,239.96 PER YEAR, PLUS FIXED ANNUAL  
18 OPERATING COSTS OF \$48,430.80 PER YEAR, SUBJECT  
19 TO A RENT SET OFF IN THE AMOUNT OF THE VALUE OF  
20 SERVICES PROVIDED BY TENANT TO THE CITY; AND (2)  
21 A CAPITAL MAINTENANCE AND CAPITAL IMPROVEMENTS  
22 COSTS DISBURSEMENT AGREEMENT ("COSTS  
23 DISBURSEMENT AGREEMENT") BETWEEN THE CITY AND  
24 TENANT FOR CERTAIN IMPROVEMENTS TO BE  
25 CONSTRUCTED AND MAINTAINED ON THE PREMISES (THE  
26 "PROJECT"); WAIVING PROVISIONS OF CHAPTER 126  
27 (PROCUREMENT CODE), *ORDINANCE CODE*, WITH RESPECT  
28 TO THE PROJECT, AND TO ALLOW THE CITY TO DIRECTLY  
29 CONTRACT WITH THE TENANT FOR THE PROJECT;  
30 DESIGNATING THE DIA AS CONTRACT MONITOR FOR THE

1 LEASE AND COSTS DISBURSEMENT AGREEMENT;  
2 PROVIDING FOR CITY OVERSIGHT OF THE PROJECT BY  
3 THE DEPARTMENT OF PUBLIC WORKS AND THE DOWNTOWN  
4 INVESTMENT AUTHORITY; AUTHORIZING THE EXECUTION  
5 OF ALL DOCUMENTS RELATING TO THE ABOVE  
6 AGREEMENTS AND TRANSACTIONS, AND AUTHORIZING  
7 TECHNICAL CHANGES TO THE DOCUMENTS; PROVIDING AN  
8 EFFECTIVE DATE.  
9

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

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

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

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

1           **WHEREAS**, the Project is consistent with the DIA BID/CRA Plan,  
2 and furthers Redevelopment Goal 1, Reinforce Downtown as the City's  
3 unique epicenter for business, history, culture, education and  
4 entertainment, Redevelopment Goal 3, Simplify the approval process  
5 for Downtown development and improve departmental and agency  
6 coordination, Redevelopment Goal 4, Improve walkability/bikeability  
7 and connectivity to adjacent neighborhoods and the St. Johns River  
8 while creating highly walkable nodes, and Redevelopment Goal 7, Use  
9 planning and economic development policies to promote design for  
10 healthy living;

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

15           **WHEREAS**, on February 23, 2022, the Downtown Investment Authority  
16 approved Resolution 2022-02-09, which amends the lease terms  
17 regarding the lease of space within the Duval Street Parking Garage  
18 and allows for the CEO of the DIA to negotiate further a lease,  
19 agreements, and other associated documents as more fully described  
20 in **Exhibit 2**; and

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

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

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

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

29           (b) The Project will greatly enhance the City and otherwise

1 promote and further the municipal purposes of the City.

2 (c) The Project will improve the quality of life necessary to  
3 encourage and attract business expansion in the City.

4 (d) The Tenant is qualified to carry out the Project.

5 (e) The authorizations provided by this Ordinance are for public  
6 uses and purposes for which the City may use its powers as a  
7 municipality and as a political subdivision of the State of Florida  
8 and may expend public funds, and the necessity in the public interest  
9 for the provisions herein enacted is hereby declared as a matter of  
10 legislative determination.

11 (f) This Ordinance is adopted pursuant to the provisions of  
12 Chapters 163, 166 and 125, Florida Statutes, as amended, the City's  
13 Charter, and other applicable provisions of law.

14 **Section 2. Execution of Agreements.** The Mayor (or his  
15 authorized designee) and the Corporation Secretary are hereby  
16 authorized to execute and deliver the Costs Disbursement Agreement  
17 and the Lease (collectively, the "Agreements") substantially in the  
18 forms placed **Revised On File** with the Legislative Services Division  
19 (with such "technical" changes as herein authorized). The Lease is  
20 for an initial term of ten (10) years, with two five (5) year renewal  
21 options, for approximately 20,660 square feet on the ground floor of  
22 the City owned property located at 33 West Duval Street, known  
23 generally as the Duval Street (Library) Garage, at an annual rental  
24 amount of \$289,239.96, plus fixed annual operating costs of  
25 \$48,430.80, with a rental setoff in the amount of the services  
26 provided by Tenant to the City up to the amount of annual rent and  
27 operating costs due under the Lease.

28 The Agreements may include such additions, deletions and changes  
29 as may be reasonable, necessary and incidental for carrying out the  
30 purposes thereof, as may be acceptable to the Mayor, or his designee,

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

14           **Section 3. Chapter 126 (Procurement Code), Ordinance Code,**  
15 **Waived.** The provisions of Chapter 126, *Ordinance Code*, are hereby  
16 waived for the Project, except that this section shall not waive any  
17 portion of Chapter 126, *Ordinance Code*, pertaining to the Jacksonville  
18 Small Emerging Business Program, and the City is authorized to  
19 contract directly with Tenant for the Project.

20           **Section 4. Designation of Authorized Official and DIA as**  
21 **Contract Monitor.** The Mayor is designated as the authorized official  
22 of the City for the purpose of executing and delivering the  
23 Agreements, and the Chief Executive Officer of the DIA is designated  
24 as the authorized official of the City for the purpose of executing  
25 any additional contracts and documents and furnishing such  
26 information, data and documents for the Agreements and related  
27 documents as may be required and otherwise to act as the authorized  
28 official of the City in connection with the Agreements, and take or  
29 cause to be taken such action as may be necessary to enable the City  
30 to implement the Agreements according to their terms. The DIA is  
31 hereby required to administer and monitor the Agreements and to handle

1 the City's responsibilities thereunder, including the City's  
2 responsibilities under such agreement working with and supported by  
3 all relevant City departments.

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

6 **Section 6. Further Authorizations.** The Mayor, or his  
7 designee, and the Corporation Secretary, are hereby authorized to  
8 execute the Agreements and all other contracts and documents and  
9 otherwise take all necessary action in connection therewith and  
10 herewith. The Chief Executive Officer of the DIA, as contract  
11 administrator, is authorized to negotiate and execute all necessary  
12 changes and amendments to the Agreements and other contracts and  
13 documents, to effectuate the purposes of this Ordinance, without  
14 further Council action, provided such changes and amendments are  
15 limited to amendments that are technical in nature (as described in  
16 Section 2 hereof), and further provided that all such amendments  
17 shall be subject to appropriate legal review and approval by the  
18 General Counsel, or his or her designee, and all other appropriate  
19 official action required by law.

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

23  
24 Form Approved:

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26           /s/ Margaret M. Sidman          

27 Office of General Counsel

28 Legislation Prepared By: Joelle J. Dillard

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