

CITY COUNCIL RESEARCH DIVISION

LEGISLATIVE SUMMARY



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Bill Type and Number: Ordinance 2022-572

Introducer/Sponsor(s): Council President at the request of the DIA

Date of Introduction: July 26, 2022

Committee(s) of Reference: NCSPHS, F

Date of Analysis: July 27, 2022

Type of Action: Authorization of redevelopment agreement and designation of oversight agency

Bill Summary: This bill authorizes the redevelopment agreement with Lotus Commercial USA LLC to renovate and rehabilitate property located at 128 W. Adams Street, formerly known as the Furchgott's building. The Property was designated local historic landmark by the Jacksonville City Council in Ordinance 2021-0657 and is a contributing building located within the National Historic District of Downtown and within the boundaries of the Downtown Northbank CRA. The Downtown Investment Authority will oversee the project.

Background Information: The purpose of this legislation is to approve the redevelopment of this historic building. Upon completion, the building will provide approximately 30,700 square feet of leasable residential living space within 40 proposed residential units and approximately 3,870 square feet of rentable square feet of commercial/retail space on the ground floor. The Downtown Preservation and Revitalization Program loan includes a Historic Preservation Restoration and Rehabilitation Forgivable Loan in the not-to-exceed amount of \$2,846,162, a Code Compliance Forgivable Loan in the not-to-exceed amount of \$2,874,390 with said HPRR and CCR Loans forgiven at a rate of 20% per year (with claw back provisions provided in the Agreement), and a Deferred Principal Loan in the not-to-exceed amount of \$1,430,138 which requires interest payments annually with principal to be repaid at maturity (10 years from the date of funding). Construction is expected to be completed by the third quarter of 2024.

Policy Impact Area: DIA Redevelopment Agreement - 128 W. Adams Street

Fiscal Impact: DPRP funding of up to \$7,150,688 (\$5,720,552 is forgivable over five years. and \$1,430,138 requires repayment with interest by the tenth anniversary of funding)

Analyst: Hampsey