

1 Introduced by the Council President at the request of the Mayor:

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4 **ORDINANCE 2022-905**

5 AN ORDINANCE MAKING CERTAIN FINDINGS, AND  
6 AUTHORIZING THE MAYOR, OR HIS DESIGNEE, TO  
7 EXECUTE AN ECONOMIC DEVELOPMENT AGREEMENT  
8 ("AGREEMENT") BETWEEN THE CITY OF JACKSONVILLE  
9 ("CITY") AND SPRINGFIELD MF PARTNERS, LLC  
10 ("DEVELOPER"), TO SUPPORT THE DEVELOPMENT BY  
11 DEVELOPER OF AN APPROXIMATELY 202-UNIT APARTMENT  
12 COMMUNITY LOCATED GENERALLY AT 33 1<sup>ST</sup> STREET W.,  
13 1148 MAIN STREET N., AND 1100 MAIN STREET N., IN  
14 THE CITY OF JACKSONVILLE ("PROJECT");  
15 AUTHORIZING A SEVENTY-FIVE PERCENT, FIFTEEN YEAR  
16 RECAPTURE ENHANCED VALUE (REV) GRANT IN THE  
17 MAXIMUM AMOUNT NOT TO EXCEED \$5,500,000 IN  
18 CONNECTION WITH THE CONSTRUCTION OF THE  
19 IMPROVEMENTS; APPROVING AND AUTHORIZING A  
20 COMPLETION GRANT IN THE AMOUNT OF \$2,000,000 TO  
21 THE DEVELOPER UPON SUBSTANTIAL COMPLETION OF THE  
22 PROJECT, TO BE APPROPRIATED BY SUBSEQUENT  
23 LEGISLATION; DESIGNATING THE OED AS CONTRACT  
24 MONITOR FOR THE AGREEMENT; PROVIDING FOR CITY  
25 OVERSIGHT OF THE PROJECT BY THE DEPARTMENT OF  
26 PUBLIC WORKS AND THE OED; AUTHORIZING THE  
27 EXECUTION OF ALL DOCUMENTS RELATING TO THE ABOVE  
28 AGREEMENTS AND TRANSACTIONS, AND AUTHORIZING  
29 TECHNICAL CHANGES TO THE DOCUMENTS; WAIVER OF  
30 THOSE PORTIONS OF THE PUBLIC INVESTMENT POLICY  
31 ADOPTED BY ORDINANCE 2022-372-E, AS AMENDED,

1 WHICH WOULD REQUIRE THAT IN ORDER FOR A PROJECT  
2 TO RECEIVE A REV GRANT THE COMPANY MUST BE IN A  
3 TARGETED INDUSTRY AND CREATE 10 NEW FULL-TIME  
4 JOBS AT GREATER THAN OR EQUAL TO 100% OF THE  
5 STATE OF FLORIDA AVERAGE WAGE, AND TO AUTHORIZE  
6 A COMPLETION GRANT THAT IS NOT CURRENTLY  
7 AUTHORIZED BY THE PUBLIC INVESTMENT POLICY;  
8 PROVIDING AN EFFECTIVE DATE.  
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10 **WHEREAS**, Springfield MF Partners, LLC (the "Developer") has  
11 submitted a proposal for the development of certain real property  
12 owned by the Developer and located generally at 33 1st Street W.,  
13 1148 Main Street N., and 1100 Main Street N., within the City, which  
14 the Developer intends to develop into approximately a 202-unit, market  
15 rate apartment community and 6,000 square feet of commercial/retail  
16 space on the ground floor at an estimated cost of \$53,600,000 (the  
17 "Project"), as further detailed in the Economic Development Agreement  
18 ("Agreement") placed **On File** with the Legislative Services Division;  
19 and

20 **WHEREAS**, the Agreement authorizes: (1) a 15 year, 75% REV Grant  
21 in the maximum amount of \$5,500,000; and (2) a Completion Grant in  
22 the amount of \$2,000,000 payable in two annual installments commencing  
23 upon substantial completion of the Project; and

24 **WHEREAS**, the Office of Economic Development ("OED") has  
25 considered the Developer's requests and has determined that the REV  
26 Grant and Completion Grant will enable the Developer to develop the  
27 property and complete the Project as further described in the  
28 Agreement; and

29 **WHEREAS**, it has been determined to be in the interest of the  
30 City to enter into the Agreement and approve of and adopt the matters  
31 set forth in this Ordinance; now, therefore,

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

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

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

5           (b) The Project will greatly enhance the City and otherwise  
6 promote and further the municipal purposes of the City.

7           (c) The City's assistance for the Project will enable and  
8 facilitate the Project, the Project will enhance and increase the  
9 City's tax base and revenues, and the Project will improve the quality  
10 of life necessary to encourage and attract business expansion in the  
11 City.

12           (d) Enhancement of the City's tax base and revenues are matters  
13 of State and City concern.

14           (e) The Developer is qualified to carry out the Project.

15           (f) The authorizations provided by this Ordinance are for public  
16 uses and purposes for which the City may use its powers as a  
17 municipality and as a political subdivision of the State of Florida  
18 and may expend public funds, and the necessity in the public interest  
19 for the provisions herein enacted is hereby declared as a matter of  
20 legislative determination.

21           (g) This Ordinance is adopted pursuant to the provisions of  
22 Chapters 163, 166 and 125, Florida Statutes, as amended, the City's  
23 Charter, and other applicable provisions of law.

24           **Section 2. Economic Development Agreement Approved.** The Mayor  
25 (or his authorized designee) and the Corporation Secretary are hereby  
26 authorized to execute and deliver the Agreement and related documents  
27 referenced therein (collectively, the "Agreements") substantially in  
28 the form **On File** with the Legislative Services Division (with such  
29 "technical" changes as herein authorized), for the purpose of  
30 implementing the recommendations of the OED as further described in  
31 the Agreement.

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

17           **Section 3.           Payment of REV Grant to Developer.**

18       (a) The REV Grant in the amount not to exceed \$5,500,000, the terms  
19 of which are more specifically described in the Agreement, shall not  
20 be deemed to constitute a debt, liability, or obligation of the City  
21 or of the State of Florida or any political subdivision thereof within  
22 the meaning of any constitutional or statutory limitation, or a pledge  
23 of the faith and credit or taxing power of the City or of the State  
24 of Florida or any political subdivision thereof, but shall be payable  
25 solely from the funds provided therefor as provided in this Section.  
26 The Agreement shall contain a statement to the effect that the City  
27 shall not be obligated to pay any installment of its financial  
28 assistance to the Developer except from the non-ad valorem revenues  
29 or other legally available funds provided for that purpose, that  
30 neither the faith and credit nor the taxing power of the City or of  
31 the State of Florida or any political subdivision thereof is pledged

1 to the payment of any portion of such financial assistance, and that  
2 the Developer, or any person, firm or entity claiming by, through or  
3 under the Developer, or any other person whomsoever, shall never have  
4 any right, directly or indirectly, to compel the exercise of the ad  
5 valorem taxing power of the City or of the State of Florida or any  
6 political subdivision thereof for the payment of any portion of such  
7 financial assistance.

8 (b) The OED is hereby authorized to and shall disburse the annual  
9 installments of the REV Grant to the Developer as provided in this  
10 Section in accordance with this Ordinance and the Agreement.

11 **Section 4. Payment of Completion Grant to Developer.** The  
12 Completion Grant is hereby authorized, and, subject to subsequent  
13 appropriation by Council, the City is authorized to disburse the  
14 Completion Grant to the Developer in an amount not to exceed  
15 \$2,000,000, pursuant to and as set forth in the Agreement.

16 **Section 5. Designation of Authorized Official and OED as**  
17 **Contract Monitor.** The Mayor is designated as the authorized official  
18 of the City for the purpose of executing and delivering any contracts  
19 and documents and furnishing such information, data and documents for  
20 the Agreements and related documents as may be required and otherwise  
21 to act as the authorized official of the City in connection with the  
22 Agreements, and is further authorized to designate one or more other  
23 officials of the City to exercise any of the foregoing authorizations  
24 and to furnish or cause to be furnished such information and take or  
25 cause to be taken such action as may be necessary to enable the City  
26 to implement the Agreements according to their terms. The OED is  
27 hereby required to administer and monitor the Agreement and to handle  
28 the City's responsibilities thereunder, including the City's  
29 responsibilities under such agreement working with and supported by  
30 all relevant City departments.

31 **Section 6. Oversight Department.** The Department of Public

1 Works and the OED shall oversee the Project described herein.

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

16       **Section 8. Waiver of Public Investment Policy.** The  
17 following requirements of the Public Investment Policy adopted by  
18 City Council Ordinance 2022-372-E, as amended, are waived: (i) the  
19 REV Grant requirements that the Company must be in a Targeted Industry  
20 and create 10 new full-time jobs at greater than or equal to one  
21 hundred percent of the State of Florida average wage; and (ii) to  
22 authorize a Completion Grant that is not currently authorized under  
23 the Public Investment Policy. The waiver is justified due to the  
24 fact that the proposed Project is expected to generate a private  
25 capital investment of approximately \$53,600,000 and increase ad  
26 valorem taxes payable to the City and Duval County School Board.

27       **Section 9. Effective Date.** This Ordinance shall become  
28 effective upon signature by the Mayor or upon becoming effective  
29 without the Mayor's signature.

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31 Form Approved:

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2 /s/ John Sawyer

3 Office of General Counsel

4 Legislation Prepared By: John Sawyer

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