

1 Introduced by the Council President at the request of the Mayor and
2 amended by the Neighborhoods, Community Services, Public Health and
3 Safety Committee:

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6 **ORDINANCE 2022-905-E**

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

1 THOSE PORTIONS OF THE PUBLIC INVESTMENT POLICY
2 ADOPTED BY ORDINANCE 2022-372-E, AS AMENDED,
3 WHICH WOULD REQUIRE THAT IN ORDER FOR A PROJECT
4 TO RECEIVE A REV GRANT THE COMPANY MUST BE IN A
5 TARGETED INDUSTRY AND CREATE 10 NEW FULL-TIME
6 JOBS AT GREATER THAN OR EQUAL TO 100% OF THE
7 STATE OF FLORIDA AVERAGE WAGE, AND TO AUTHORIZE
8 A COMPLETION GRANT THAT IS NOT CURRENTLY
9 AUTHORIZED BY THE PUBLIC INVESTMENT POLICY;
10 PROVIDING AN EFFECTIVE DATE.

11
12 **WHEREAS**, Springfield MF Partners, LLC (the "Developer") has
13 submitted a proposal for the development of certain real property
14 owned by the Developer and located generally at 33 1st Street W.,
15 1148 Main Street N., and 1100 Main Street N., within the City, which
16 the Developer intends to develop into approximately a 202-unit, market
17 rate apartment community and 6,000 square feet of commercial/retail
18 space on the ground floor at an estimated cost of \$53,600,000 (the
19 "Project"), as further detailed in the Economic Development Agreement
20 ("Agreement") placed **Revised On File** with the Legislative Services
21 Division; and

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

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

31 **WHEREAS**, it has been determined to be in the interest of the

1 City to enter into the Agreement and approve of and adopt the matters
2 set forth in this Ordinance; now, therefore,

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

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

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

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

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

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

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

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

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

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

1 implementing the recommendations of the OED, as further described in
2 the Project Summary attached hereto as **Exhibit 1** and incorporated
3 herein by this reference.

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

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

21 (a) The REV Grant in the amount not to exceed \$5,500,000, the
22 terms of which are more specifically described in the Agreement,
23 shall not be deemed to constitute a debt, liability, or obligation
24 of the City or of the State of Florida or any political subdivision
25 thereof within the meaning of any constitutional or statutory
26 limitation, or a pledge of the faith and credit or taxing power of
27 the City or of the State of Florida or any political subdivision
28 thereof, but shall be payable solely from the funds provided therefor
29 as provided in this Section. The Agreement shall contain a statement
30 to the effect that the City shall not be obligated to pay any
31 installment of its financial assistance to the Developer except from

1 the non-ad valorem revenues or other legally available funds provided
2 for that purpose, that neither the faith and credit nor the taxing
3 power of the City or of the State of Florida or any political
4 subdivision thereof is pledged to the payment of any portion of such
5 financial assistance, and that the Developer, or any person, firm or
6 entity claiming by, through or under the Developer, or any other
7 person whomsoever, shall never have any right, directly or indirectly,
8 to compel the exercise of the ad valorem taxing power of the City or
9 of the State of Florida or any political subdivision thereof for the
10 payment of any portion of such financial assistance.

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

14 **Section 4. Payment of Completion Grant to Developer.** The
15 Completion Grant is hereby authorized, and, subject to subsequent
16 appropriation by Council, the City is authorized to disburse the
17 Completion Grant to the Developer in an amount not to exceed
18 \$2,000,000, pursuant to and as set forth in the Agreement.

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

1 responsibilities under such agreement working with and supported by
2 all relevant City departments.

3 **Section 6. Oversight Department.** The Department of Public
4 Works and the OED shall oversee the Project described herein.

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

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

30 **Section 9. Effective Date.** This Ordinance shall become
31 effective upon signature by the Mayor or upon becoming effective

1 without the Mayor's signature.

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3 Form Approved:

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5 /s/ Mary E. Staffopoulos

6 Office of General Counsel

7 Legislation Prepared By: John Sawyer

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