

**CITY COUNCIL RESEARCH DIVISION  
LEGISLATIVE SUMMARY**



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**Bill Type and Number:** Ordinance 2023-355

**Introducer/Sponsor(s):** Council President Freeman

**Date of Introduction:** May 23, 2023

**Committee(s) of Reference:** R, TEU

**Date of Analysis:** May 25, 2023

**Type of Action:** Request to DIA

**Bill Summary:** The bill requests the Downtown Investment Authority to explore various options relative to the operation of the MPS Garages, specifically including an exploration of competitive procurement of these services in the private sector and consideration of an opportunity to partner with the Jacksonville Transportation Authority to provide these services. If an alternative presents itself that is more cost-effective and/or generally in the best interests of the City, the DIA is requested to exercise its option to terminate the Parking Management Agreement between the DIA and REEF Platform U.S. Operations, LLC (as successor to LPS of America, Inc.) and pursue the other alternative.

**Background Information:** In 2004 the City, the Jacksonville Economic Development Commission and Metropolitan Parking Solutions LLC (MPS) entered into an agreement under which the City would loan funds to MPS to construct and operate 3 parking garages (at the then-new new county courthouse, adjacent to the Arena and in the Sports Complex) on behalf of the City, with the City having a financial obligation to subsidize those operations should operating revenues not cover costs and an agreed-upon return on investment. In 2020 the City and MPS each sued the other claiming various breaches of the contract. Through court-ordered mediation the two parties reached a settlement agreement under which the DIA assumed operational control of the garages, which were still owned by MPS, on a “debt service plus rental fee” basis. This bill urges the DIA to explore alternative means of operating these garages, including either competitively soliciting a private sector operator or exploring a contract with the JTA to be the operator. The DIA is urged, if it identifies an alternative that is more cost-effective and/or generally in the best interests of the City, to terminate the contract with REEF Platform U.S. Operations and pursue the other alternative.

**Policy Impact Area:** Parking garage operations

**Fiscal Impact:** Undetermined until DIA explores potential cost-saving operational arrangements

**Analyst:** Clements