

1 Introduced by the Council President at the request of the DIA:
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4 **ORDINANCE 2024-633**

5 AN ORDINANCE MAKING CERTAIN FINDINGS AND
6 AUTHORIZING THE MAYOR, OR HER DESIGNEE, TO
7 EXECUTE: (1) A REDEVELOPMENT AGREEMENT
8 ("REDEVELOPMENT AGREEMENT") AMONG THE CITY OF
9 JACKSONVILLE ("CITY"), DOWNTOWN INVESTMENT
10 AUTHORITY ("DIA"), AND JACKSONVILLE PROPERTIES
11 I, LLC ("DEVELOPER"), WHICH REDEVELOPMENT
12 AGREEMENT PROVIDES FOR THE CONSTRUCTION OF 240
13 MULTI-FAMILY RESIDENTIAL UNITS, A 280 SPACE
14 STRUCTURED PARKING FACILITY, INCLUDING 7,400
15 SQUARE FEET OF RETAIL/RESTAURANT/LOUNGE SPACE,
16 ("PROJECT") AT 930 E. ADAMS STREET ("PROJECT
17 PARCEL"), WITHIN THE DOWNTOWN NORTHBANK
18 COMMUNITY REDEVELOPMENT AREA, AND (2) A LAND USE
19 RESTRICTION AGREEMENT WITH A THIRTY YEAR TERM
20 RESTRICTING RENTS OF FIFTEEN (15) 2-BEDROOM
21 UNITS AND SEVENTY (70) 1-BEDROOM UNITS OF
22 WORKFORCE HOUSING AT THE PROJECT; AUTHORIZING A
23 SEVENTY-FIVE PERCENT, TWENTY YEAR, MULTI-FAMILY
24 RECAPTURE ENHANCED VALUE (REV) GRANT IN THE
25 MAXIMUM AMOUNT NOT TO EXCEED \$11,450,000 IN
26 CONNECTION WITH THE PROJECT; AUTHORIZING A
27 WORKFORCE HOUSING COMPLETION GRANT IN THE AMOUNT
28 OF \$3,000,000; AUTHORIZING AN EMERGENCY RAPID
29 RESPONSE GRANT IN THE AMOUNT OF \$1,000,000; FOR
30 CITY OVERSIGHT OF THE PROJECT BY THE DIA;
31 AUTHORIZING THE EXECUTION OF ALL DOCUMENTS

1 RELATING TO THE ABOVE AGREEMENTS AND
2 TRANSACTIONS, AND AUTHORIZING TECHNICAL
3 CHANGES; WAIVER OF THAT PORTION OF THE PUBLIC
4 INVESTMENT POLICY ADOPTED BY ORDINANCE 2024-286-
5 E, AS AMENDED, TO AUTHORIZE THE WORKFORCE
6 HOUSING COMPLETION GRANT AND THE EMERGENCY RAPID
7 RESPONSE GRANT, WHICH ARE NOT AUTHORIZED BY THE
8 PUBLIC INVESTMENT POLICY; PROVIDING AN EFFECTIVE
9 DATE.

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11 **WHEREAS**, Jacksonville Properties I, LLC (the "Developer") has a
12 long-term ground lease of the land located generally at 930 E. Adams
13 Street in downtown Jacksonville (the "Project Parcel"); and

14 **WHEREAS**, the Developer was nearing completion on a mixed-use,
15 residential apartment complex located principally at the Project
16 Parcel before the development was largely destroyed by a tragic fire
17 in January 2024; and

18 **WHEREAS**, the Developer responded quickly to damage caused by the
19 fire and initiated rapid demolition of the affected structure to
20 minimize risk to the public and to minimize business disruption to
21 the surrounding business community, stadium, arena, and public
22 parking structures, and incurred additional cost in taking the quick
23 response measures; and

24 **WHEREAS**, the Developer wishes to move forward with redevelopment
25 of the mixed-use rental apartment facility at the Project Parcel,
26 despite significantly higher construction and financing costs; and

27 **WHEREAS**, Developer intends to construct a multi-family
28 residential unit apartment project with a minimum of 240 units, a
29 structured parking facility with a minimum of 280 spaces, and a
30 minimum of 7,400 square feet of retail/restaurant/lounge space (of
31 which 4,700 square feet shall be on the ground floor) on the Project

1 Parcel (collectively, the "Project"), at an estimated cost of
2 \$79,123,500; and

3 **WHEREAS**, the Developer has agreed to record a Land Use
4 Restrictive Agreement (the "LURA") in the public records of Duval
5 County, Florida, which sets forth the maximum rents for the workforce
6 housing at the Project Parcel for a term of thirty (30) years,
7 including not less than (1) fifteen (15) 2-bedroom units, and (2)
8 seventy (70) 1-bedroom units; and

9 **WHEREAS**, the Downtown Investment Authority ("DIA") has
10 considered the Developer's requests and has determined that the REV
11 Grant, workforce housing completion grant, and emergency rapid
12 response grant authorized hereby will enable the Developer to
13 construct the Project as described in the Redevelopment Agreement
14 among the City of Jacksonville ("City"), the DIA, and the Developer
15 (the "Redevelopment Agreement"); and

16 **WHEREAS**, the Project is consistent with the DIA BID Plan; and

17 **WHEREAS**, on June 6, 2024, the DIA approved a resolution (the
18 "Resolution") to enter into the Redevelopment Agreement, which is
19 attached hereto as **Exhibit 1**; and

20 **WHEREAS**, the City agrees to assume the obligations of the DIA
21 to pay the REV Grant in the event of the expiration or termination
22 of Downtown Northbank Community Redevelopment Area TIF during the
23 term of the REV Grant as set forth herein, all as more fully described
24 in the Redevelopment Agreement; and

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

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

29 **Section 1. Findings.** It is hereby ascertained, determined,
30 found and declared as follows:
31

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

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

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

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

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

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

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

21 **Section 2. Execution of Agreements.** The Mayor (or her
22 authorized designee) and the Corporation Secretary are hereby
23 authorized to execute and deliver the Redevelopment Agreement
24 substantially in the form placed **On File** with the Legislative Services
25 Division (with such "technical" changes as herein authorized), and a
26 Land Use Restriction Agreement with terms consistent with the
27 Resolution and in form approved by the Office of General Counsel (the
28 "LURA" and together with the Redevelopment Agreement, the
29 "Agreements"), for the purpose of implementing the recommendations
30 of the DIA as further described in the Redevelopment Agreement.

31 The Agreements may include such additions, deletions and changes

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

16 **Section 3. Payment of REV Grant.**

17 (a) The REV Grant in the amount not to exceed \$11,450,000, the
18 terms of which are more specifically described in the Redevelopment
19 Agreement, shall not be deemed to constitute a debt, liability, or
20 obligation of the City or of the State of Florida or any political
21 subdivision thereof within the meaning of any constitutional or
22 statutory limitation, or a pledge of the faith and credit or taxing
23 power of the City or of the State of Florida or any political
24 subdivision thereof, but shall be payable solely from the funds
25 provided therefor as provided in this Section. The Redevelopment
26 Agreement shall contain a statement to the effect that the City shall
27 not be obligated to pay any installment of its financial assistance
28 to the Developer except from the non-ad valorem revenues or other
29 legally available funds provided for that purpose, that neither the
30 faith and credit nor the taxing power of the City or of the State of
31 Florida or any political subdivision thereof is pledged to the payment

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

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

12 **Section 4. Payment of Workforce Housing Completion Grant.**

13 (a) The Workforce Housing Completion Grant shall not be deemed
14 to constitute a debt, liability, or obligation of the City or of the
15 State of Florida or any political subdivision thereof within the
16 meaning of any constitutional or statutory limitation, or a pledge of
17 the faith and credit or taxing power of the City or of the State of
18 Florida or any political subdivision thereof, but shall be payable
19 solely from the funds provided therefor as provided in this Section.
20 The Agreement shall contain a statement to the effect that the City
21 shall not be obligated to pay any installment of its financial
22 assistance to the Developer except from the non-ad valorem revenues
23 or other legally available funds provided for that purpose, that
24 neither the faith and credit nor the taxing power of the City or of
25 the State of Florida or any political subdivision thereof is pledged
26 to the payment of any portion of such financial assistance, and that
27 the Developer, or any person, firm or entity claiming by, through or
28 under the Developer, or any other person whomsoever, shall never have
29 any right, directly or indirectly, to compel the exercise of the ad
30 valorem taxing power of the City or of the State of Florida or any
31 political subdivision thereof for the payment of any portion of such

1 financial assistance.

2 (b) The Mayor, or her designee, is hereby authorized to and shall
3 disburse the Workforce Housing Completion Grant as provided in this
4 Section in accordance with this Ordinance and the Redevelopment
5 Agreement.

6 **Section 5. Payment of Emergency Rapid Response Grant.**

7 (a) The Emergency Rapid Response Grant shall not be deemed to
8 constitute a debt, liability, or obligation of the City or of the
9 State of Florida or any political subdivision thereof within the
10 meaning of any constitutional or statutory limitation, or a pledge of
11 the faith and credit or taxing power of the City or of the State of
12 Florida or any political subdivision thereof, but shall be payable
13 solely from the funds provided therefor as provided in this Section.
14 The Agreement shall contain a statement to the effect that the City
15 shall not be obligated to pay any installment of its financial
16 assistance to the Developer except from the non-ad valorem revenues
17 or other legally available funds provided for that purpose, that
18 neither the faith and credit nor the taxing power of the City or of
19 the State of Florida or any political subdivision thereof is pledged
20 to the payment of any portion of such financial assistance, and that
21 the Developer, or any person, firm or entity claiming by, through or
22 under the Developer, or any other person whomsoever, shall never have
23 any right, directly or indirectly, to compel the exercise of the ad
24 valorem taxing power of the City or of the State of Florida or any
25 political subdivision thereof for the payment of any portion of such
26 financial assistance.

27 (b) The Mayor, or her designee, is hereby authorized to and shall
28 disburse the Emergency Rapid Response Grant as provided in this
29 Section in accordance with this Ordinance and the Redevelopment
30 Agreement.

31 **Section 6. Designation of Authorized Official and DIA as**

1 **Contract Monitor.** The Mayor is designated as the authorized official
2 of the City for the purpose of executing and delivering any contracts
3 and documents and furnishing such information, data and documents for
4 the Agreements and related documents as may be required and otherwise
5 to act as the authorized official of the City in connection with the
6 Agreements, and is further authorized to designate one or more other
7 officials of the City to exercise any of the foregoing authorizations
8 and to furnish or cause to be furnished such information and take or
9 cause to be taken such action as may be necessary to enable the City
10 to implement the Agreements according to their terms. The DIA is
11 hereby required to administer and monitor the Agreements and to handle
12 the City's responsibilities thereunder, including the City's
13 responsibilities under such Agreements working with and supported by
14 all relevant City departments.

15 **Section 7. Oversight Department.** The DIA shall oversee the
16 Project described herein.

17 **Section 8. Further Authorizations.** The Mayor, or her
18 designee, and the Corporation Secretary, are hereby authorized to
19 execute the Agreements and all other contracts and documents and
20 otherwise take all necessary action in connection therewith and
21 herewith. The Chief Executive Officer of the DIA, as contract
22 administrator, is authorized to negotiate and execute all necessary
23 changes and amendments to the Agreements and other contracts and
24 documents, to effectuate the purposes of this Ordinance, without
25 further Council action, provided such changes and amendments are
26 limited to amendments that are technical in nature (as described in
27 Section 2 hereof), and further provided that all such amendments
28 shall be subject to appropriate legal review and approval by the
29 General Counsel, or his or her designee, and all other appropriate
30 official action required by law.

31 **Section 9. Waiver of Public Investment Policy.** The

