

1 Introduced by the Council President at the request of the DIA and
2 amended by the Rules Committee:

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5 **ORDINANCE 2024-633-E**

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

1 FROM THE DOWNTOWN NORTHBANK COMMUNITY
2 REDEVELOPMENT AREA TRUST FUND; FOR CITY
3 OVERSIGHT OF THE PROJECT BY THE DIA; AUTHORIZING
4 THE EXECUTION OF ALL DOCUMENTS RELATING TO THE
5 ABOVE AGREEMENTS AND TRANSACTIONS, AND
6 AUTHORIZING TECHNICAL CHANGES; WAIVER OF THAT
7 PORTION OF THE PUBLIC INVESTMENT POLICY ADOPTED
8 BY ORDINANCE 2024-286-E, AS AMENDED, TO
9 AUTHORIZE THE WORKFORCE HOUSING COMPLETION GRANT
10 AND THE EMERGENCY RAPID RESPONSE GRANT, WHICH
11 ARE NOT AUTHORIZED BY THE PUBLIC INVESTMENT
12 POLICY; PROVIDING AN EFFECTIVE DATE.

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

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

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

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

31 **WHEREAS**, Developer intends to construct a multi-family

1 residential unit apartment project with a minimum of 240 units, a
2 structured parking facility with a minimum of 280 spaces, and a
3 minimum of 7,400 square feet of retail/restaurant/lounge space (of
4 which 4,700 square feet shall be on the ground floor) on the Project
5 Parcel (collectively, the "Project"), at an estimated cost of
6 \$79,123,500; and

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

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

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

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

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

29 **WHEREAS**, it has been determined to be in the interest of the
30 City to enter into the Redevelopment Agreement and approve of and
31 adopt the matters 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. Execution of Agreements.** The Mayor (or her
25 authorized designee) and the Corporation Secretary are hereby
26 authorized to execute and deliver the Redevelopment Agreement
27 substantially in the form placed **On File** with the Legislative Services
28 Division (with such "technical" changes as herein authorized), and a
29 Land Use Restriction Agreement with terms consistent with the
30 Resolution and in form approved by the Office of General Counsel (the
31 "LURA" and together with the Redevelopment Agreement, the

1 "Agreements"), for the purpose of implementing the recommendations
2 of the DIA as further described in the Redevelopment Agreement.

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

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

20 (a) The REV Grant in the amount not to exceed \$11,450,000, the
21 terms of which are more specifically described in the Redevelopment
22 Agreement, shall not be deemed to constitute a debt, liability, or
23 obligation of the City or of the State of Florida or any political
24 subdivision thereof within the meaning of any constitutional or
25 statutory limitation, or a pledge of the faith and credit or taxing
26 power of the City or of the State of Florida or any political
27 subdivision thereof, but shall be payable solely from the funds
28 provided therefor as provided in this Section. The Redevelopment
29 Agreement shall contain a statement to the effect that the City shall
30 not be obligated to pay any installment of its financial assistance
31 to the Developer except from the non-ad valorem revenues or other

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

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

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

16 (a) The Workforce Housing Completion Grant in the maximum amount
17 not-to-exceed \$3,000,000 to be funded from the General Fund, the terms
18 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 Agreement shall
26 contain a statement to the effect that the City shall not be obligated
27 to pay any installment of its financial assistance to the Developer
28 except from the non-ad valorem revenues or other legally available
29 funds provided for that purpose, that neither the faith and credit
30 nor the taxing power of the City or of the State of Florida or any
31 political subdivision thereof is pledged to the payment of any portion

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

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

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

12 (a) The Emergency Rapid Response Grant in the maximum amount non-
13 to-exceed \$1,000,000 to be funded from the Downtown Northbank
14 Community Redevelopment Area Trust Fund, the terms of which are more
15 specifically described in the Redevelopment Agreement, shall not be
16 deemed to constitute a debt, liability, or obligation of the City or
17 of the State of Florida or any political subdivision thereof within
18 the meaning of any constitutional or statutory limitation, or a pledge
19 of the faith and credit or taxing power of the City or of the State
20 of Florida or any political subdivision thereof, but shall be payable
21 solely from the funds provided therefor as provided in this Section.
22 The Agreement shall contain a statement to the effect that the City
23 shall not be obligated to pay any installment of its financial
24 assistance to the Developer except from the non-ad valorem revenues
25 or other legally available funds provided for that purpose, that
26 neither the faith and credit nor the taxing power of the City or of
27 the State of Florida or any political subdivision thereof is pledged
28 to the payment of any portion of such financial assistance, and that
29 the Developer, or any person, firm or entity claiming by, through or
30 under the Developer, or any other person whomsoever, shall never have
31 any right, directly or indirectly, to compel the exercise of the ad

1 valorem taxing power of the City or of the State of Florida or any
2 political subdivision thereof for the payment of any portion of such
3 financial assistance.

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

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

23 **Section 7. Oversight Department.** The DIA shall oversee the
24 Project described herein.

25 **Section 8. Further Authorizations.** The Mayor, or her
26 designee, and the Corporation Secretary, are hereby authorized to
27 execute the Agreements and all other contracts and documents and
28 otherwise take all necessary action in connection therewith and
29 herewith. The Chief Executive Officer of the DIA, as contract
30 administrator, is authorized to negotiate and execute all necessary
31 changes and amendments to the Agreements and other contracts and

1 documents, to effectuate the purposes of this Ordinance, without
2 further Council action, provided such changes and amendments are
3 limited to amendments that are technical in nature (as described in
4 Section 2 hereof), and further provided that all such amendments
5 shall be subject to appropriate legal review and approval by the
6 General Counsel, or his or her designee, and all other appropriate
7 official action required by law.

8 **Section 9. Waiver of Public Investment Policy.** The
9 requirements of the Public Investment Policy adopted by City Council
10 Ordinance 2024-286-E, as amended, are waived to authorize the
11 Workforce Housing Completion Grant and Emergency Rapid Response Grant
12 that are not authorized pursuant to the Public Investment Policy.
13 The waiver is justified due to the fact that the Project will cause
14 an estimated private capital investment in the project of \$79,123,500
15 and result in increased ad valorem revenues to the City.

16 **Section 10. Effective Date.** This Ordinance shall become
17 effective upon signature by the Mayor or upon becoming effective
18 without the Mayor's signature.

19
20 Form Approved:

21
22 /s/ Mary E. Staffopoulos

23 Office of General Counsel

24 Legislation Prepared By: Joelle J. Dillard

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