

CITY COUNCIL RESEARCH DIVISION LEGISLATIVE SUMMARY



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Bill Type and Number: Ordinance 2024-849

Introducer/Sponsor(s): Council President at the request of the Mayor

Date of Introduction: October 22, 2024

Committee(s) of Reference: NCSPHS, F

Date of Analysis: October 24, 2024

Type of Action: Appropriation; request for fast-track approval on one cycle

Bill Summary: The bill appropriates \$7.6 million from the General Fund Operating Reserves to provide a partially forgivable construction loan to Fuqua BCDC One Riverside Project Owner, LLC pursuant to a mediated settlement agreement. Fast-track approval on second reading is requested.

Background Information: In 2021 the City entered into an economic development agreement with Fuqua Acquisitions II, LLC to support a redevelopment of the One Riverside property (formerly the site of the *Florida Times-Union* headquarters building) into a mixed-use project including apartments, restaurants and retail stores with a minimum required capital investment of nearly \$164 million. In 2024 the developer alleged that delays by the City in its construction of the McCoy's Creek relocation portion of the project had impacted its ability to complete its portion of the project in a timely manner. The parties agreed in a mediated settlement to change several completion deadlines and the City agreed to appropriate \$7.6 million as a partially forgivable loan to the project. That appropriation did not contain fiscal year carry-over language and when the closing on the construction loan did not take place before September 30, 2024, the appropriated funds lapsed into the General Fund Operating Reserve. Fuqua is now ready to close on the loan in the next few weeks and this bill will appropriate the lapsed funds from the Operating Reserve to a Judgements, Settlements and Claims account for payment to the developer pursuant to the settlement agreement.

Policy Impact Area: Economic development

Fiscal Impact: The bill appropriates \$7.6 million in year-end lapsed funds from the General Fund Operating Reserves to an expenditure account.

Analyst: Clements