

1 Introduced by the Council President at the request of the DIA & Co-
2 Sponsored by Council Members Carlucci and Salem and amended by the
3 Finance Committee:
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6 **ORDINANCE 2020-527-E**

7 AN ORDINANCE AUTHORIZING AND CREATING A NEW
8 PART 3 (DOWNTOWN PRESERVATION AND
9 REVITALIZATION PROGRAM), CHAPTER 55 (DOWNTOWN
10 INVESTMENT AUTHORITY), *ORDINANCE CODE*, TO
11 CREATE A NEW DOWNTOWN PRESERVATION AND
12 REVITALIZATION PROGRAM ("DPRP") AND GUIDELINES
13 THERETO TO INCENTIVIZE THE PRESERVATION AND
14 REVITALIZATION OF UNOCCUPIED OR DETERIORATING
15 HISTORIC AND QUALIFIED NON-HISTORIC BUILDINGS
16 IN DOWNTOWN JACKSONVILLE; AMENDING CHAPTER 111
17 (SPECIAL REVENUE AND TRUST ACCOUNTS), PART 9
18 (NEIGHBORHOOD DEVELOPMENT), SECTION 111.910
19 (DOWNTOWN HISTORIC PRESERVATION AND
20 REVITALIZATION TRUST FUND), *ORDINANCE CODE*,
21 TO: (1) REPLACE THE GUIDELINES GOVERNING THE
22 USE OF THE TRUST FUND WITH THE GUIDELINES
23 ATTACHED HERETO AS **EXHIBIT 2** (THE "HPRTF
24 GUIDELINES"); (2) AMENDING SECTION 111.910,
25 *ORDINANCE CODE*, TO REVISE ELIGIBILITY
26 REQUIREMENTS FOR THE TRUST FUND CONSISTENT
27 WITH THE HPRTF GUIDELINES, IN PART TO
28 AUTHORIZE THE DIA BOARD TO MAKE GRANTS IN THE
29 UP TO MAXIMUM AMOUNT OF \$100,000, CONSISTENT
30 WITH THE REQUIREMENTS OF THE HPRTF GUIDELINES;

1 AMENDING THE CITY'S PUBLIC INVESTMENT POLICY
2 AS PREVIOUSLY AUTHORIZED BY ORDINANCE 2016-
3 382-E, AS AMENDED, TO INCLUDE THE DPRP THEREIN
4 AND REVISE THE EXISTING DOWNTOWN HISTORIC
5 PRESERVATION AND REVITALIZATION TRUST FUND
6 PROGRAM TO BE CONSISTENT WITH THE TERMS AND
7 CONDITIONS OF THIS ORDINANCE; PROVIDING A 90-
8 DAY PHASE-IN PERIOD; PROVIDING AN EFFECTIVE
9 DATE.

10
11 **WHEREAS**, pursuant to Ordinance 2002-395-E, the City Council
12 created the Downtown Historic Preservation and Revitalization Trust
13 Fund and adopted guidelines for its use that both imposed a
14 \$1,000,000 cap per eligible property and established percentages of
15 eligible expenditures to be used in determining grant amounts (the
16 "Program"); and

17 **WHEREAS**, despite the existence of the Program, many local
18 historic landmarks and other contributing structures eligible for
19 designation remain vacant and deteriorating, diminishing the value
20 and appearance of downtown Jacksonville; and

21 **WHEREAS**, over the last five years City Council has approved a
22 number of redevelopment incentives for historic properties that
23 waived the per property cap but were based on the eligible
24 percentages in the Program, and despite such approvals work on the
25 eligible properties has not begun; and

26 **WHEREAS**, the financial gap between rents achievable in
27 downtown Jacksonville and the cost of restoration and
28 rehabilitation make restoration and renovation of historic downtown
29 buildings economically infeasible without City assistance; and

30 **WHEREAS**, there are many older buildings in downtown
31 Jacksonville that are not historic landmarks but which remain

1 vacant due to the cost of code compliance upgrades, and renovations
2 that render the building capable of being put back into use are
3 valuable to downtown Jacksonville; and

4 **WHEREAS**, the timing and sequence of approvals currently
5 required under the Program result in delays in the development
6 process, further acting as a deterrent to historic designation and
7 investment in older properties in need of preservation and
8 revitalization; and

9 **WHEREAS**, DIA staff, in consultation with the City Planning and
10 Development Department, have prepared for consideration by City
11 Council a comprehensive replacement for the 2002 program that is
12 comprised of a new Downtown Preservation and Revitalization Program
13 created in a new Part 3 (Downtown Preservation and Revitalization
14 Program) to Chapter 55 (Downtown Investment Authority), *Ordinance*
15 *Code*, and by replacing the existing guidelines and making revisions
16 to Section 111.910 (Downtown Historic Preservation and
17 Revitalization Trust Fund), *Ordinance Code*, as set forth herein as
18 authorized by this Ordinance; now, therefore

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

20 **Section 1. Creating a new Part 3 (Downtown Preservation and**
21 **Revitalization Program), Chapter 55 (Downtown Investment**
22 **Authority), *Ordinance Code*.** A new Part 3 (Downtown Preservation and
23 Revitalization Program), Chapter 55 (Downtown Investment
24 Authority), *Ordinance Code*, is hereby created to read as follows:

25 **CHAPTER 55. DOWNTOWN INVESTMENT AUTHORITY**

26 * * *

27 **PART 3. DOWNTOWN PRESERVATION AND REVITALIZATION PROGRAM**

28 **Sec. 55.301. Intent.**

29 The intent of the Downtown Preservation and Revitalization
30 Program ("DPRP") is to foster the preservation and revitalization
31 of unoccupied, underutilized, and/or deteriorating historic, and

1 qualified non-historic, buildings located in downtown Jacksonville.
2 The DPRP is designed to serve historic projects applying for in
3 excess of \$100,000, and non-historic code compliance projects.

4 **Sec. 55.302. Authority.**

5 The DIA is authorized to develop and administer the DPRP
6 pursuant to this Part 3, *Ordinance Code*, and its BID Plan and in
7 furtherance of the adopted community redevelopment area goals,
8 including but not limited to:

9 1. Redevelopment Goal No. 1: Reinforce Downtown as the
10 City's unique epicenter for business, history, culture, education,
11 and entertainment.

12 2. Redevelopment Goal No. 2: Increase rental and owner-
13 occupied housing downtown, targeting key demographic groups seeking
14 a more urban lifestyle.

15 **Sec. 55.303. Downtown Preservation and Revitalization Program.**

16 In administering the DPRP, the DIA shall follow the Downtown
17 Preservation and Revitalization Program Guidelines ("DPRP
18 Guidelines"). All projects must be located within the DIA boundary
19 area and comply with the general program requirements and other
20 requirements as set forth in the DPRP Guidelines. As further
21 detailed in the DPRP Guidelines, the DPRP has three general
22 components for which funding will be considered:

23 1. Historic Preservation Restoration and Rehabilitation
24 Forgivable Loan ("HPRR Forgivable Loan");

25 2. Code Compliance Renovations Forgivable Loan ("CCR
26 Forgivable Loan"); and

27 3. Downtown Preservation and Revitalization Program Deferred
28 Principal Loan (DPRP Deferred Principal Loan).

29 The DPRP program will be administered in the form of a
30 forgivable loan or loans and each project will require City Council
31 approval. All funds will be disbursed upon completion of

1 improvements subject to cost verification and other approvals as
2 specified in the DPRP Guidelines.

3 **Section 2. Amending Section 111.910 (Downtown Historic**
4 **Preservation and Revitalization Trust Fund).** Chapter 111 (Special
5 Revenue and Trust Accounts), Part 9 (Neighborhood Development),
6 Section 111.910 (Downtown Historic Preservation and Revitalization
7 Trust Fund) is hereby amended to read as follows:

8 **CHAPTER 111 SPECIAL REVENUE AND TRUST ACCOUNTS**

9 * * *

10 **PART 9 NEIGHBORHOOD DEVELOPMENT**

11 * * *

12 **Sec. 111.910 Downtown Historic Preservation and**
13 **Revitalization Trust Fund.**

14 (a) *Fund creation.* There is hereby created an account to be
15 known as the *Downtown Historic Preservation and Revitalization*
16 *Trust Fund*, a permanent trust fund into which shall be deposited
17 all donations and contributions of money, including gifts and
18 grants received by the City for use in furthering the goals of this
19 fund, as well as all funds as may be appropriated from time to time
20 by Council and all fees, fines, and civil penalties as may be
21 designated for deposit into the fund from time to time by Council.
22 These funds are designated to pay for the programs described
23 herein. The DIA and the Historic Preservation Section of the
24 Jacksonville Planning and Development Department (the "Historic
25 Preservation Section") shall review all applications for grants ~~and~~
26 ~~loans~~ to be paid out of the fund in accordance with the
27 requirements set forth herein; ~~provided, however, that all grants~~
28 ~~or loans over \$50,000 shall require Council approval.~~ No grant in
29 excess of \$100,000 shall be made from the trust fund pursuant to
30 this program. Subject to availability of unencumbered funds,
31 applicants that request \$100,000 or less in the aggregate for a

1 project may be approved by the DIA without further Council action,
2 in accordance with the HPRTF Guidelines (defined below). For the
3 purpose of this Section, the dollar amounts in all applications for
4 loans or grants for any one project submitted within five years of
5 the first loan or grant approved under this fund for the project,
6 shall be aggregated to determine if the loan or grant amount
7 exceeds \$10050,000, ~~and therefore requires Council approval.~~ All
8 monies and interest placed into this trust fund are hereby
9 appropriated for the purposes of this trust fund, and all
10 appropriations shall carry forward each fiscal year and shall not
11 lapse.

12 (b) *Fund administration.* The DIA and the Planning and
13 Development Department Historic Preservation Section shall follow
14 the Downtown Historic Preservation and Revitalization Trust Fund
15 Guidelines ("HPRTF Guidelines") ~~on file with the Office of~~
16 ~~Legislative Services.~~ The Historic Preservation Section shall
17 review and approve the design aspect of the application, and the
18 DIA shall review and approve the application and administer fund
19 allocation. Changes to the HPRTF Guidelines which have financial
20 impact shall be jointly approved by the DIA and the Historic
21 Preservation Section and shall be submitted to the Council for
22 approval. Approved applicants may receive financial assistance
23 through grant ~~and/or loan~~ programs as set forth in the HPRTF
24 Guidelines. ~~Grant and/or loan programs shall be jointly created by~~
25 ~~the DIA and the Historic Preservation Section in accordance with~~
26 ~~the guidelines; provided, however that Trust funds may only be~~
27 used for one or more of the purposes specified in subsection (e).
28 ~~Additionally, in the event bond proceeds are to be used for these~~
29 ~~projects, the Historic Preservation Section and, if necessary, the~~
30 ~~bond counsel for the City shall make an initial recommendation as~~
31 ~~to whether a specific public purpose or purposes shall be furthered~~

1 ~~by the particular project for which an application for funds has~~
2 ~~been submitted.~~

3 (c) Planning and Development Department Historic
4 Preservation Section review. To receive assistance from the fund,
5 the owner of a historic building, or his or her agent, shall submit
6 ~~a design~~ an application to the Planning and Development Department
7 Historic Preservation Section for designation as a local landmark
8 unless already designated, and an application to the Historic
9 Preservation Section for a Certificate of Appropriateness for the
10 improvements proposed, in accordance with the HPRTF Guidelines
11 approval. The Historic Preservation Section shall review the
12 landmark designation application for eligibility. Only historic
13 buildings located within the DIA boundary~~downtown~~ area ~~as depicted~~
14 ~~in the guidelines~~ and which meet one of the following criteria
15 shall be eligible to make application for assistance from the fund:

16 (1) The building is a local landmark, designated by the City
17 pursuant to Chapter 307, Ordinance Code; or

18 (2) The building is a contributing structure to a local
19 historic district, designated by the City pursuant to Chapter 307,
20 Ordinance Code; or

21 (3) The building has been declared a potential local
22 landmark, as defined in Chapter 307, Ordinance Code, however final
23 local landmark designation must be obtained from City Council prior
24 to final approval of the grant by DIA ~~from the council prior to~~
25 ~~final approval of the application.~~

26 The Historic Preservation Section shall also review the
27 application for the Certificate of Appropriateness for compliance
28 with the United States Secretary of Interior's Standards for
29 Rehabilitation and any applicable historic preservation design
30 guidelines and shall issue an approval, denial, or approval with
31 conditions. The Historic Preservation Section shall evaluate

1 applications based on the project's historic importance and
2 significance, the overall contribution of the project to the
3 restoration of the historic fabric, and the overall preservation of
4 the building. The Historic Preservation Section shall forward its
5 recommendation and actions on the Certificate of Appropriateness
6 application to the DIA in accordance with the HPRTF Guidelines
7 ~~approved projects with comments to the DIA for final processing of~~
8 ~~the application. In the event bond proceeds are used for these~~
9 ~~projects, if necessary, an opinion from the bond counsel for the~~
10 ~~City shall be obtained approving the intended use of proceeds prior~~
11 ~~to any obligation being incurred for the expenditure of such funds.~~

12 (d) *DIA review.* To receive a grant from the fund, the owner
13 of a historic building, or his or her agent, shall submit, in
14 accordance with the HPRTF Guidelines, an application to the DIA for
15 the grant requested. ~~Upon determination of eligibility by the~~
16 ~~Historic Preservation Section, the Downtown Development Authority~~
17 ~~and the DIA shall analyze the specific finances of the project for~~
18 ~~the express purpose of determining whether or not to engage in a~~
19 ~~redevelopment agreement between the City and the applicant.~~

20 (e) *Fund programs.* The owner of a historic building which
21 meets the eligibility requirements in subsection (c), or his or her
22 agent, may apply for assistance from the fund in the form of ~~loans~~
23 ~~or~~ grants for eligible improvements under the HPRTF Guidelines
24 which include restoration or rehabilitation of the building
25 exterior, restoration of historic features on the building
26 interior, rehabilitation of the building interior, code compliance
27 improvements and general requirements and overhead of the general
28 contractor, as further detailed in the HPRTF Guidelines. ~~under one~~
29 ~~or more of the following programs:~~

30 (1) ~~Facade and exterior rehabilitation and restoration~~
31 ~~programs, which shall be used for design assistance and~~

1 ~~construction to improve and restore the facades of eligible~~
2 ~~historic buildings. This program may be limited to target areas,~~
3 ~~as may be established by DIA and the Historic Preservation~~
4 ~~Section, within the downtown area to maximize the visual impact~~
5 ~~of the improvements.~~

6 ~~(2) Code improvement programs, which shall be used to~~
7 ~~bring eligible historic buildings into compliance with the~~
8 ~~current building and/or fire codes in the City.~~

9 ~~(3) Interior rehabilitation and restoration programs,~~
10 ~~which shall be used for preservation, restoration,~~
11 ~~rehabilitation and adaptive reuse of eligible historic~~
12 ~~buildings, including but not limited to architectural features~~
13 ~~such as staircases, ceilings, and wall panels.~~

14 (f) *Final inspection.* A final inspection to ensure compliance
15 with the terms of the approved Certificate of Appropriateness and
16 trust fund grant application shall be conducted within 90 days
17 following completion of the project. The final inspection shall be
18 conducted by, or at the direction of the Planning and Development
19 Department Historic Preservation Section staff. All projects shall
20 comply with~~meet~~ the HPRTF Guidelines and criteria established
21 herein. An applicant whose project fails to meet these HPRTF
22 Guidelines and criteria set forth herein shall be required to
23 repay the City any amounts received under a grant and/or loan
24 program, less any payments made thereunder. The inspection required
25 by this subsection shall not replace or supercede any other
26 inspection required by local, State, or federal law.

27 **Section 3. DIA Downtown Preservation and Revitalization**
28 **Loan Program Guidelines.** The DIA Downtown Preservation and
29 Revitalization Loan Program Guidelines (the "DPRP Guidelines"),
30 attached hereto as **Revised Exhibit 1**, labeled as "Revised Exhibit

1 1, Rev DPRP Guidelines, October 6, 2020 - Finance." The DPRP
2 Guidelines shall be the operative guidelines for projects in excess
3 of \$100,000, which shall require Council approval, and until the
4 DPRP Guidelines are amended by future Council action.

5 **Section 4. Downtown Historic Preservation and**
6 **Revitalization Trust Fund Guidelines.** The Downtown Historic
7 Preservation and Revitalization Trust Fund Guidelines (the "HPRTF
8 Guidelines"), attached hereto as **Exhibit 2**, shall replace the
9 guidelines authorized by Ordinance 2002-395-E. The HPRTF
10 Guidelines shall be the operative guidelines for projects funded by
11 the Downtown Historic Preservation and Revitalization Trust Fund
12 unless and until the HPRTF Guidelines are amended by future Council
13 action.

14 **Section 5. Approval and Authorization of Amendment to the**
15 **Public Investment Policy.** The Council hereby approves and
16 authorizes an amendment to the Public Investment Policy as
17 originally authorized by Ordinance 2016-382-E, as amended, to: (i)
18 amend the DIA Downtown Historic Preservation and Revitalization
19 Trust Fund (HPRTF) program of the Public Investment Policy of the
20 Office of Economic Development as set forth in the form of the
21 draft dated July 30, 2020 (the "DIA Downtown Historic Preservation
22 and Revitalization Trust Fund Program"), a copy of which is
23 attached hereto as **Exhibit 3** and incorporated herein by reference;
24 and (ii) create a new Downtown Preservation and Revitalization
25 Program to be inserted into the Public Investment Policy, the
26 details of which are in the form of the draft dated August 14, 2020
27 (the "DIA Downtown Preservation and Revitalization Program"), a
28 copy of which is attached hereto as **Revised Exhibit 4**, labeled as
29 "Revised Exhibit 4, Revised DPRP, October 6, 2020 - Finance" and
30 incorporated herein by reference.

31 **Section 6. No Other Changes.** Except as provided herein,

1 there are no other changes or amendments to the Public Investment
2 Policy approved by Ordinance 2016-382-E, as amended.

3 **Section 7. Phase-in period.** For a period of 90 days
4 following the effective date of this Ordinance, an applicant shall
5 have the option of submitting an application for consideration
6 under the 2002 guidelines and the existing Chapter 111.910,
7 *Ordinance Code*, trust fund criteria or under the new programs and
8 guidelines adopted hereby.

9 **Section 8. Effective Date.** This Ordinance shall become
10 effective upon signature by the Mayor or upon becoming effective
11 without the Mayor's signature.

12 Form Approved:

13
14 /s/ Paige H. Johnston

15 Office of General Counsel

16 Legislation Prepared By: John Sawyer

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