

1 Introduced by the Council President at the request of the Mayor:  
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4 **ORDINANCE 2021-159-E**

5 AN ORDINANCE MAKING CERTAIN FINDINGS, AND  
6 APPROVING AND AUTHORIZING THE EXECUTION OF AN  
7 ECONOMIC DEVELOPMENT AGREEMENT ("AGREEMENT")  
8 BETWEEN THE CITY OF JACKSONVILLE ("CITY") AND  
9 THEOTOKOS HOLDINGS, LLC ("COMPANY"), TO  
10 SUPPORT THE REDEVELOPMENT OF A VACANT OFFICE  
11 BUILDING INTO APPROXIMATELY 118 MARKET-RATE  
12 HOUSING UNITS LOCATED GENERALLY AT 7820  
13 ARLINGTON EXPRESSWAY, JACKSONVILLE, FLORIDA  
14 ("PROJECT"); AUTHORIZING A TEN-YEAR, 75%  
15 RECAPTURE ENHANCED VALUE (REV) GRANT OF NOT TO  
16 EXCEED \$820,000; APPROVING AND AUTHORIZING THE  
17 EXECUTION OF DOCUMENTS BY THE MAYOR, OR HIS  
18 DESIGNEE, AND CORPORATION SECRETARY;  
19 AUTHORIZING APPROVAL OF TECHNICAL AMENDMENTS  
20 BY THE EXECUTIVE DIRECTOR OF THE OFFICE OF  
21 ECONOMIC DEVELOPMENT ("OED"); PROVIDING FOR  
22 OVERSIGHT BY THE OED; PROVIDING A DEADLINE FOR  
23 THE COMPANY TO EXECUTE THE AGREEMENT;  
24 REQUESTING A WAIVER OF THE PUBLIC INVESTMENT  
25 POLICY ADOPTED BY ORDINANCE 2016-382-E, AS  
26 AMENDED; PROVIDING AN EFFECTIVE DATE.

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28 **WHEREAS**, Theotokos Holdings, LLC (the "Company") has committed  
29 to redevelop a vacant and deteriorating office building into 118  
30 market rate rental apartments within a designated Level II  
31 Distressed Area by December 31, 2023, all as further described in

1 the Project Summary attached hereto as **Exhibit 1** and incorporated  
2 herein by this reference; and

3 **WHEREAS**, for the reasons more fully described in the Project  
4 Summary, the payment of the REV Grant in such amounts serves a  
5 paramount public purpose; and

6 **WHEREAS**, the OED has reviewed the application submitted by the  
7 Company for community development; and, together with  
8 representatives of the City, negotiated the Agreement.  
9 Accordingly, based upon the contents of the Agreement, it has been  
10 determined that the Agreement and the uses contemplated therein to  
11 be in the public interest, and that the public actions and  
12 financial assistance contemplated in the Agreement take into  
13 account and give consideration to the long-term public interests  
14 and public interest benefits to be achieved by the City; and

15 **WHEREAS**, the Company has requested the City to enter into an  
16 agreement in substantially the form placed **On File** with the Office  
17 of Legislative Services; now therefore,

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

19 **Section 1. Findings.** It is hereby ascertained,  
20 determined, found and declared as follows:

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

22 (b) The location of the Company's Project in Jacksonville,  
23 Florida, is more particularly described in the Agreement. The  
24 Project will promote and further the public and municipal purposes  
25 of the City.

26 (c) Enhancement of the City's tax base and revenues, are  
27 matters of State and City policy and State and City concern in  
28 order that the State and its counties and municipalities, including  
29 the City, shall not continue to be endangered by unemployment,  
30 underemployment, economic recession, poverty, crime and disease,  
31 and consume an excessive proportion of the State and City revenues

1 because of the extra services required for police, fire, accident,  
2 health care, elderly care, charity care, hospitalization, public  
3 housing and housing assistance, and other forms of public  
4 protection, services and facilities.

5 (d) The provision of the City's assistance as identified in  
6 the Agreement is necessary and appropriate to make the Project  
7 feasible; and the City's assistance is reasonable and not  
8 excessive, taking into account the needs of the Company to make the  
9 Project economically and financially feasible, and the extent of  
10 the public benefits expected to be derived from the Project, and  
11 taking into account all other forms of assistance available.

12 (e) The Company is qualified to carry out and complete the  
13 construction and equipping of the Project, in accordance with the  
14 Agreement.

15 (f) The authorizations provided by this Ordinance are for  
16 public uses and purposes for which the City may use its powers as a  
17 county, municipality and as a political subdivision of the State of  
18 Florida and may expend public funds, and the necessity in the  
19 public interest for the provisions herein enacted is hereby  
20 declared as a matter of 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. Economic Development Agreement Approved.**

25 There is hereby approved, and the Mayor and Corporation Secretary  
26 are authorized to execute and deliver, for and on behalf of the  
27 City, an agreement between the City and the Company, substantially  
28 in the form placed **On File** with the Office of Legislative Services  
29 (with such "technical" changes as herein authorized), for the  
30 purpose of implementing the recommendations of the OED, as are  
31 further described in the Project Summary attached hereto as **Exhibit**

1 1.

2 The Agreement may include such additions, deletions and  
3 changes as may be reasonable, necessary and incidental for carrying  
4 out the purposes thereof, as may be acceptable to the Mayor, or his  
5 designee, with such inclusion and acceptance being evidenced by  
6 execution of the Agreement by the Mayor or his designee. No  
7 modification to the Agreement may increase the financial  
8 obligations or the liability of the City and any such modification  
9 shall be technical only and shall be subject to appropriate legal  
10 review and approval of the General Counsel, or his or her designee,  
11 and all other appropriate action required by law. "Technical" is  
12 herein defined as including, but not limited to, changes in legal  
13 descriptions and surveys, descriptions of infrastructure  
14 improvements and/or any road project, ingress and egress, easements  
15 and rights of way, performance schedules (provided that no  
16 performance schedule may be extended for more than one year without  
17 City 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 shall not be deemed to constitute a debt,  
21 liability, or obligation of the City or of the State of Florida or  
22 any political subdivision thereof within the meaning of any  
23 constitutional or statutory limitation, or a pledge of the faith  
24 and credit or taxing power of the City or of the State of Florida  
25 or any political subdivision thereof, but shall be payable solely  
26 from the funds provided therefor as provided in this Section. The  
27 Agreement shall contain a statement to the effect that the City  
28 shall not be obligated to pay any installment of its financial  
29 assistance to the Company except from the non-ad valorem revenues  
30 or other legally available funds provided for that purpose, that  
31 neither the faith and credit nor the taxing power of the City or of

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

9 (b) The Mayor, or his designee, is hereby authorized to and  
10 shall disburse the annual installments of the REV Grant as provided  
11 in this Section in accordance with this Ordinance and the  
12 Agreement.

13 **Section 4. Designation of Authorized Official/OED**  
14 **Contract Monitor.** The Mayor is designated as the authorized  
15 official of the City for the purpose of executing and delivering  
16 any contracts and documents and furnishing such information, data  
17 and documents for the Agreement and related documents as may be  
18 required and otherwise to act as the authorized official of the  
19 City in connection with the Agreement, and is further authorized to  
20 designate one or more other officials of the City to exercise any  
21 of the foregoing authorizations and to furnish or cause to be  
22 furnished such information and take or cause to be taken such  
23 action as may be necessary to enable the City to implement the  
24 Agreement according to its terms. The OED is hereby required to  
25 administer and monitor the Agreement and to handle the City's  
26 responsibilities thereunder, including the City's responsibilities  
27 under such Agreement working with and supported by all relevant  
28 City departments.

29 **Section 5. Further Authorizations.** The Mayor, or his  
30 designee, and the Corporation Secretary, are hereby authorized to  
31 execute and deliver the Agreement and all other contracts and

1 documents and otherwise take all necessary action in connection  
2 therewith and herewith. The Executive Director of the OED, as  
3 contract administrator, is authorized to negotiate and execute all  
4 necessary changes and amendments to the Agreement and other  
5 contracts and documents, to effectuate the purposes of this  
6 Ordinance, without further Council action, provided such changes  
7 and amendments are limited to amendments that are technical in  
8 nature (as described in Section 2 hereof), and further provided  
9 that all such amendments shall be subject to appropriate legal  
10 review and approval by the General Counsel, or his or her designee,  
11 and all other appropriate official action required by law.

12 **Section 6. Oversight Department.** The OED shall oversee  
13 the Project described herein.

14 **Section 7. Execution of Agreement.** If the Agreement  
15 approved by this Ordinance has not been signed by the Company  
16 within ninety (90) days after the OED delivers or mails the  
17 unexecuted Agreement to the Company for execution, then the City  
18 Council approvals in this Ordinance and authorization for the Mayor  
19 to execute the Agreement are automatically revoked; provided,  
20 however, that the Executive Director of the OED shall have the  
21 authority to extend such ninety (90) day period in writing at his  
22 discretion for up to an additional ninety (90) days.

23 **Section 8. Waiver of Public Investment Policy.** The  
24 following requirements of the Public Investment Policy adopted by  
25 City Council Ordinance 2016-382-E, as amended, are hereby waived:  
26 that in order to be eligible for a REV Grant a minimum of ten new  
27 jobs must be created and the Project must be for a targeted  
28 industry business.

29 **Section 9. Effective Date.** This Ordinance shall become  
30 effective upon signature by the Mayor or upon becoming effective  
31 without the Mayor's signature.

1 Form Approved:

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3           /s/ Paige H. Johnston

4 Office of General Counsel

5 Legislation Prepared By: John Sawyer

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