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and Safety Committee:

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Substituted by the Neighborhoods, Community Services, Public Health

ORDINANCE 2021-253

Introduced by the Council President at the request of the DIA and

AN ORDINANCE MAKING CERTAIN FINDINGS AND AUTHORIZING THE MAYOR, OR HIS DESIGNEE, TO EXECUTE: (1) Α REDEVELOPMENT **AGREEMENT** ("REDEVELOPMENT AGREEMENT") AMONG THE CITY OF JACKSONVILLE ("CITY"), DOWNTOWN AUTHORITY ("DIA"), AND RD RIVER CITY BREWERY, ("DEVELOPER"), WHICH REDEVELOPMENT AGREEMENT PROVIDES FOR THE DESIGN AND CONSTRUCTION OF 325 MULTI-FAMILY RESIDENTIAL UNITS, A 500 SPACE STRUCTURED PARKING FACILITY, A RESTAURANT AND BAR VENUE, A SHIP'S STORE, MARINA IMPROVEMENTS AND RIVERWALK IMPROVEMENTS BY THE DEVELOPER, ALL ON THE SOUTHBANK OF THE ST. JOHNS RIVER WITHIN THE SOUTHBANK DOWNTOWN COMMUNITY REDEVELOPMENT AREA ("PROJECT"); (2) A QUITCLAIM DEED CONVEYING AN APPROXIMATELY 3.43 ACRE PARCEL OF CITY-OWNED LAND TO THE DEVELOPER AT NO COST; (3) A MARINA IMPROVEMENTS COSTS DISBURSEMENT AGREEMENT BY WHICH THE DEVELOPER SHALL REPAIR AND CONSTRUCT ON BEHALF OF THE CITY CERTAIN MARINA IMPROVEMENTS TO BE FUNDED BY THE CITY IN THE MAXIMUM AMOUNT OF \$1,143,807, WITH OVERRUNS THE RESPONSIBILITY OF COST THE DEVELOPER, TO BE OWNED BY THE CITY; (4) A MARINA OPERATING AND MAINTENANCE AGREEMENT BETWEEN THE DEVELOPER, OR ITS DESIGNEE, AND THE CITY FOR THE

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OPERATION AND MAINTENANCE OF THE MARINA; AND (5) EASEMENTS AND RELATED DOCUMENTS AS DESCRIBED IN THE REDEVELOPMENT AGREEMENT; AUTHORIZING A SEVENTY-FIVE PERCENT, TWENTY YEAR, MULTI-FAMILY MARKET-RATE RECAPTURE ENHANCED VALUE (REV) GRANT IN THE MAXIMUM AMOUNT NOT TO EXCEED \$12,996,885 IN CONNECTION WITH THE PROJECT; AUTHORIZING AN INFRASTRUCTURE GRANT IN THE AMOUNT OF \$500,000; AUTHORIZING A RESTAURANT COMPLETION GRANT IN THE AMOUNT OF \$500,000; PROVIDING FOR ANNUAL \$50,000 APPROPRIATION FOR PROGRAMMING OF ST. JOHNS RIVER PARK AND FRIENDSHIP FOUNTAIN FOR TERM OF REV GRANT; DESIGNATING THE DIA AS CONTRACT MONITOR FOR THE REDEVELOPMENT AGREEMENT; PROVIDING FOR CITY OVERSIGHT OF THE PROJECT BY THE DEPARTMENT OF PUBLIC WORKS; AUTHORIZING THE EXECUTION OF ALL DOCUMENTS RELATING TO THE ABOVE AGREEMENTS AND TRANSACTIONS, AND AUTHORIZING TECHNICAL CHANGES TO THE DOCUMENTS; PROVIDING AN EFFECTIVE

WHEREAS, RD River City Brewery, LLC (the "Developer") has an option to purchase the existing lease for the land located generally at 835 Museum Circle on the Southbank of the St. Johns River in downtown, Jacksonville, known generally as the River City Brewing Company site (as subsequently conveyed from the City to the Developer, the "Project Parcel"); and

WHEREAS, Developer intends to construct 325 Class A multi-family residential units, a 500-space structured parking facility, a restaurant and bar venue, a ship's store, and certain marina and Riverwalk Improvements on the Project Parcel (or adjacent City-owned

real property, as applicable) (collectively, the "Project"), at an estimated cost of \$85,000,000; and

WHEREAS, the Developer is seeking: (1) the conveyance of approximately 3.43 acres of City-owned real property at no cost; and (2) a REV Grant in the maximum, up to amount of \$12,996,885; (3) an infrastructure grant in the amount of \$500,000; and (4) a restaurant completion grant in the amount of \$500,000, all in support of the Project, and the City has also agreed to sell to Developer an approximately 3.43 acre parcel of City-owned land at no cost (the "City Parcel") so Developer may construct at its cost the residential improvements, parking garage and other improvements to support the Project; and

WHEREAS, the Developer will also construct on behalf of the City certain Marina Improvements at the City's expense in the maximum, up to amount of \$1,143,807, with the Developer responsible for all costs in excess thereof, as well as adjacent Riverwalk Improvements, with a minimum investment of \$250,000 by the Developer, all at its sole expense, and the City has agreed to relocate underground storage tanks at its expense to accommodate the Project; and

WHEREAS, subject to annual appropriation by Council, the City has agreed to appropriate on an annual basis during the term of the REV Grant the amount of \$50,000 to be used by the City to provide enhanced programming and activation activities for St. Johns River Park and Friendship Fountain; and

WHEREAS, the DIA has considered the Developer's requests and has determined that the REV Grant, infrastructure grant, restaurant completion grant and property conveyance authorized hereby will enable the Developer to construct the Project as described in the Redevelopment Agreement; and

WHEREAS, the Project is consistent with the DIA BID Plan, and furthers Redevelopment Goal 1, Reinforce Downtown as the City's unique

epicenter for business, history, culture, education and entertainment, Redevelopment Goal 4, improve walkability/bikeability and connectivity to adjacent neighborhoods and the St. John River while creating highly walkable nodes; and Redevelopment Goal 5, establish a waterfront design framework to ensure a unique experience and sense of place; and

WHEREAS, on January 20, 2021, the DIA approved a resolution (the "Resolution") to enter into the Redevelopment Agreement, said Resolution being attached hereto as Exhibit 1; and

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

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

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

- (a) The recitals set forth herein are true and correct.
- (b) The Project will greatly enhance the City and otherwise promote and further the municipal purposes of the City.
- (c) The City's assistance for the Project will enable and facilitate the Project, the Project will enhance and increase the City's tax base and revenues, and the Project will improve the quality of life necessary to encourage and attract business expansion in the City.
- (d) Enhancement of the City's tax base and revenues are matters of State and City concern.
 - (e) The Developer is qualified to carry out the Project.
- (f) The authorizations provided by this Ordinance are for public uses and purposes for which the City may use its powers as a municipality and as a political subdivision of the State of Florida and may expend public funds, and the necessity in the public interest for the provisions herein enacted is hereby declared as a matter of

legislative determination.

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

Execution of Agreements. The Mayor (or his Section 2. authorized designee) and the Corporation Secretary are hereby authorized to execute and deliver the Redevelopment Agreement, Marina Improvements Costs Disbursement Agreement, Marina Operating and Maintenance Agreement, quitclaim deed, easements and related documents described in the Redevelopment Agreement (collectively, the "Agreements") substantially in the form placed On File with the Legislative Services Division (with such "technical" changes as authorized), for purpose herein the of implementing recommendations of the DIA as further described in the Redevelopment Agreement.

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

Section 3. Payment of REV Grant.

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- The REV Grant in the amount not to exceed \$12,996,885, the terms of which are more specifically described in the Redevelopment Agreement, shall not be deemed to constitute a debt, liability, or obligation of the City or of the State of Florida or any political subdivision thereof within the meaning of any constitutional or statutory limitation, or a pledge of the faith and credit or taxing power of the City or of the State of Florida or any political subdivision thereof, but shall be payable solely from the funds provided therefor as provided in this Section. The Redevelopment Agreement shall contain a statement to the effect that the City shall not be obligated to pay any installment of its financial assistance to the Developer except from the non-ad valorem revenues or other legally available funds provided for that purpose, that neither the faith and credit nor the taxing power of the City or of the State of Florida or any political subdivision thereof is pledged to the payment of any portion of such financial assistance, and that the Developer, or any person, firm or entity claiming by, through or under the Developer, or any other person whomsoever, shall never have any right, directly or indirectly, to compel the exercise of the ad valorem taxing power of the City or of the State of Florida or any political subdivision thereof for the payment of any portion of such financial assistance.
- (b) The DIA Board is hereby authorized to and shall disburse the annual installments of the REV Grant to the Developer as provided in this Section in accordance with this Ordinance and the Redevelopment Agreement.

Section 4. Payment of Infrastructure Grant.

(a) The Infrastructure Grant shall not be deemed to constitute a debt, liability, or obligation of the City or of the State of Florida or any political subdivision thereof within the meaning of any

constitutional or statutory limitation, or a pledge of the faith and credit or taxing power of the City or of the State of Florida or any political subdivision thereof, but shall be payable solely from the funds provided therefor as provided in this Section. The Agreement shall contain a statement to the effect that the City shall not be obligated to pay any installment of its financial assistance to the Company except from the non-ad valorem revenues or other legally available funds provided for that purpose, that neither the faith and credit nor the taxing power of the City or of the State of Florida or any political subdivision thereof is pledged to the payment of any portion of such financial assistance, and that the Company, or any person, firm or entity claiming by, through or under the Company, or any other person whomsoever, shall never have any right, directly or indirectly, to compel the exercise of the ad valorem taxing power of the City or of the State of Florida or any political subdivision thereof for the payment of any portion of such financial assistance.

(b) The Mayor, or his designee, is hereby authorized to and shall disburse the Infrastructure Grant as provided in this Section in accordance with this Ordinance and the Redevelopment Agreement.

Section 5. Payment of Restaurant Completion Grant.

(a) The Restaurant Completion Grant shall not be deemed to constitute a debt, liability, or obligation of the City or of the State of Florida or any political subdivision thereof within the meaning of any constitutional or statutory limitation, or a pledge of the faith and credit or taxing power of the City or of the State of Florida or any political subdivision thereof, but shall be payable solely from the funds provided therefor as provided in this Section. The Agreement shall contain a statement to the effect that the City shall not be obligated to pay any installment of its financial assistance to the Company except from the non-ad valorem revenues or other legally available funds provided for that purpose, that neither

the faith and credit nor the taxing power of the City or of the State of Florida or any political subdivision thereof is pledged to the payment of any portion of such financial assistance, and that the Company, or any person, firm or entity claiming by, through or under the Company, or any other person whomsoever, shall never have any right, directly or indirectly, to compel the exercise of the ad valorem taxing power of the City or of the State of Florida or any political subdivision thereof for the payment of any portion of such financial assistance.

(b) The Mayor, or his designee, is hereby authorized to and shall disburse the Restaurant Completion Grant as provided in this Section in accordance with this Ordinance and the Redevelopment Agreement.

Section 6. Annual Appropriation for Programming and Activation of St. Johns River Park and Friendship Fountain. Subject to an annual appropriation by City Council therefore, the City agrees to appropriate \$50,000 per year for each year of the term of the REV Grant (and for so long as the Developer remains eligible for a REV Grant payment pursuant to the terms of the Redevelopment Agreement) to be used by the City for the programming and activation of St. Johns River Park and Friendship Fountain.

Contract Monitor. The Mayor is designated as the authorized official of the City for the purpose of executing and delivering any contracts and documents and furnishing such information, data and documents for the Agreements and related documents as may be required and otherwise to act as the authorized official of the City in connection with the Agreements, and is further authorized to designate one or more other officials of the City to exercise any of the foregoing authorizations and to furnish or cause to be furnished such information and take or cause to be taken such action as may be necessary to enable the City to implement the Agreements according to their terms. The DIA is

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/s/ John Sawyer

Office of General Counsel

Form Approved:

Legislation Prepared By: John Sawyer

hereby required to administer and monitor the Redevelopment Agreement and to handle the City's responsibilities thereunder, including the City's responsibilities under such agreement working with and supported by all relevant City departments.

Section 8. Oversight Department. The Department of Public Works shall oversee the Project described herein, and the Department of Parks, Recreation and Community Services shall oversee the marina improvements and Riverwalk improvements portion of the Project.

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

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

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