

1 Introduced by the Council President at the request of the DIA:
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4 **ORDINANCE 2021-459**

5 AN ORDINANCE MAKING CERTAIN FINDINGS, AND
6 AUTHORIZING THE MAYOR, OR HIS DESIGNEE, TO
7 EXECUTE A SECOND AMENDED AND RESTATED
8 REDEVELOPMENT AGREEMENT ("SECOND AMENDED
9 REDEVELOPMENT AGREEMENT") AMONG THE CITY OF
10 JACKSONVILLE ("CITY"), THE DOWNTOWN INVESTMENT
11 AUTHORITY ("DIA"), AND AXIS HOTELS LLC
12 ("DEVELOPER"), TO SUPPORT THE RENOVATION BY
13 DEVELOPER OF THE AMBASSADOR HOTEL BUILDING
14 LOCATED AT 420 N. JULIA STREET, IN THE NORTHBANK
15 DOWNTOWN COMMUNITY REDEVELOPMENT AREA
16 ("PROJECT"); DESIGNATING THE DIA AS CONTRACT
17 MONITOR FOR THE SECOND AMENDED REDEVELOPMENT
18 AGREEMENT; PROVIDING FOR CITY OVERSIGHT OF THE
19 PROJECT BY THE DEPARTMENT OF PUBLIC WORKS AND
20 THE DOWNTOWN INVESTMENT AUTHORITY; AUTHORIZING
21 THE EXECUTION OF ALL DOCUMENTS RELATING TO THE
22 ABOVE AGREEMENT AND TRANSACTIONS, AND
23 AUTHORIZING TECHNICAL CHANGES TO THE DOCUMENTS;
24 REQUESTING ONE CYCLE EMERGENCY PASSAGE;
25 PROVIDING AN EFFECTIVE DATE.

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27 **WHEREAS**, the City of Jacksonville ("City"), Downtown Investment
28 Authority ("DIA") and Axis Hotels LLC (the "Developer") previously
29 entered into that certain Redevelopment Agreement dated March 26,
30 2019 (the "Prior Agreement"), pursuant to which the City and DIA, as
31 applicable, were to provide a \$1,500,000 Historic Preservation Trust

1 Fund Grant and an up to \$4,900,000 REV Grant to the Developer upon
2 the substantial completion of the renovation of the Ambassador Hotel
3 Building and construction of approximately 220 units of multi-family
4 market rate housing; and

5 **WHEREAS**, subsequently, City, DIA and Developer entered into that
6 certain Amended and Restated Redevelopment Agreement dated June 25,
7 2020, as authorized by 2020-230-E (the "Amended Agreement"), to amend
8 the scope of the Project to: (i) exclude the construction of the
9 approximately 220 units of multifamily market rate housing and
10 structured parking facility; (ii) remove the obligation of the DIA
11 to provide a \$4,900,000 REV Grant related to the same; and (iii)
12 implement those other terms and conditions as set forth in the Amended
13 Agreement; and

14 **WHEREAS**, at the request of the Developer the CEO of the DIA
15 granted extensions to the Performance Schedule extending each of the
16 Commencement of Construction Date and Building Improvements
17 Completion Date, due in part to delays in obtaining financing for the
18 Project, and by action of the DIA Board the Commencement of
19 Construction Date has been extended to July 31, 2021; and

20 **WHEREAS**, the DIA has no further authority to extend the
21 Performance Schedule and given the extensions to the Commencement of
22 Construction Date, the Developer has requested and the DIA has agreed,
23 subject to Council approval, to extend the Building Improvements
24 Completion Date from May 2, 2022 to December 31, 2022 to provide a
25 reasonable time frame for the Developer to Substantially Complete the
26 Project in accordance with the terms and conditions set forth in the
27 Second Amended and Restated Agreement placed **On File** with the
28 Legislative Services Division; and

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

1 epicenter for business, history, culture, education and
2 entertainment); and

3 **WHEREAS**, on June 17, 2021, the DIA approved a resolution to
4 enter into the Second Amended and Restated Redevelopment Agreement,
5 said Resolution being attached hereto as **Exhibit 1**; and

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

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

11 **Section 1. Second Amended and Restated Redevelopment**
12 **Agreement Approved.** The Mayor (or his authorized designee) and the
13 Corporation Secretary are hereby authorized to execute and deliver
14 the Amended and Restated Redevelopment Agreement (the "Second Amended
15 Redevelopment Agreement") substantially in the form placed **On File**
16 with the Legislative Services Division (with such "technical" changes
17 as herein authorized), for the purpose of implementing the
18 recommendations of the DIA as further described in the Second Amended
19 Redevelopment Agreement.

20 The Second Amended Redevelopment Agreement may include such
21 additions, deletions and changes as may be reasonable, necessary and
22 incidental for carrying out the purposes thereof, as may be acceptable
23 to the Mayor, or his designee, with such inclusion and acceptance
24 being evidenced by execution of the Second Amended Redevelopment
25 Agreement by the Mayor or his designee. No modification to the Second
26 Amended Redevelopment Agreement may increase the financial obligations
27 or the liability of the City or DIA and any such modification shall
28 be technical only and shall be subject to appropriate legal review
29 and approval of the General Counsel, or his or her designee, and all
30 other appropriate action required by law. "Technical" is herein
31 defined as including, but not limited to, changes in legal

1 descriptions and surveys, descriptions of infrastructure improvements
2 and/or any road project, ingress and egress, easements and rights of
3 way, performance schedules (provided that no performance schedule may
4 be extended for more than six months without DIA Board approval)
5 design standards, access and site plan, which have no financial
6 impact.

7 **Section 2. Designation of Authorized Official and DIA as**
8 **Contract Monitor.** The Mayor is designated as the authorized official
9 of the City for the purpose of executing and delivering any contracts
10 and documents and furnishing such information, data and documents for
11 the Second Amended Redevelopment Agreement and related documents as
12 may be required and otherwise to act as the authorized official of
13 the City in connection with the Second Amended Redevelopment
14 Agreement, 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 Second Amended Redevelopment Agreement according to
19 its terms. The DIA is hereby required to administer and monitor the
20 Second Amended Redevelopment Agreement and to handle the City's
21 responsibilities thereunder, including the City's responsibilities
22 under such Second Amended Redevelopment Agreement working with and
23 supported by all relevant City departments.

24 **Section 3. Oversight Department.** The Department of Public
25 Works and the Downtown Investment Authority shall oversee the Project
26 described herein.

27 **Section 4. Further Authorizations.** The Mayor, or his
28 designee, and the Corporation Secretary, are hereby authorized to
29 execute the Second Amended Redevelopment Agreement and all other
30 contracts and documents and otherwise take all necessary action in
31 connection therewith and herewith. The Chief Executive Officer of the

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

11 **Section 5. Requesting one cycle emergency passage pursuant**
12 **to Council Rules 4.901 Emergency.** One cycle emergency passage of
13 this legislation is requested. The nature of the emergency is that
14 the extension of the substantial completion date in the Agreement to
15 authorize a reasonable time for completion of the project is a
16 material component to Developer's financing for the project, which
17 is anticipated to cause private capital investment in the Project in
18 the amount of \$18,500,000.

19 **Section 6. Effective Date.** This Ordinance shall become
20 effective upon signature by the Mayor or upon becoming effective
21 without the Mayor's signature.

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23 Form Approved:

24
25 /s/ John Sawyer

26 Office of General Counsel

27 Legislation Prepared By: John Sawyer

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