

1 Introduced by the Council President at the request of the DIA and
2 amended by the Neighborhoods, Community Services, Public Health and
3 Safety committee:
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6 **ORDINANCE 2021-459-E**

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

29
30 **WHEREAS,** the City of Jacksonville ("City"), Downtown
31 Investment Authority ("DIA") and Axis Hotels LLC (the "Developer")

1 previously entered into that certain Redevelopment Agreement dated
2 March 26, 2019 (the "Prior Agreement"), pursuant to which the City
3 and DIA, as applicable, were to provide a \$1,500,000 Historic
4 Preservation Trust Fund Grant and an up to \$4,900,000 REV Grant to
5 the Developer upon the substantial completion of the renovation of
6 the Ambassador Hotel Building and construction of approximately 220
7 units of multi-family market rate housing; and

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

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

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

1 **WHEREAS**, the Project is consistent with the DIA BID Plan, and
2 furthers Redevelopment Goal 1 (Reinforce Downtown as the City's
3 unique epicenter for business, history, culture, education and
4 entertainment); and

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

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

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

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

22 The Second Amended Redevelopment Agreement may include such
23 additions, deletions and changes as may be reasonable, necessary and
24 incidental for carrying out the purposes thereof, as may be
25 acceptable to the Mayor, or his designee, with such inclusion and
26 acceptance being evidenced by execution of the Second Amended
27 Redevelopment Agreement by the Mayor or his designee. No
28 modification to the Second Amended Redevelopment Agreement may
29 increase the financial obligations or the liability of the City or
30 DIA and any such modification shall be technical only and shall be
31 subject to appropriate legal review and approval of the General

1 Counsel, or his or her designee, and all other appropriate action
2 required by law. "Technical" is herein defined as including, but not
3 limited to, changes in legal descriptions and surveys, descriptions
4 of infrastructure improvements and/or any road project, ingress and
5 egress, easements and rights of way, performance schedules (provided
6 that no performance schedule may be extended for up to six months
7 without DIA Board approval) design standards, access and site plan,
8 which have no financial impact.

9 **Section 2. Designation of Authorized Official and DIA as**
10 **Contract Monitor.** The Mayor is designated as the authorized
11 official of the City for the purpose of executing and delivering
12 any contracts and documents and furnishing such information, data
13 and documents for the Second Amended Redevelopment Agreement and
14 related documents as may be required and otherwise to act as the
15 authorized official of the City in connection with the Second
16 Amended Redevelopment Agreement, and is further authorized to
17 designate one or more other officials of the City to exercise any
18 of the foregoing authorizations and to furnish or cause to be
19 furnished such information and take or cause to be taken such
20 action as may be necessary to enable the City to implement the
21 Second Amended Redevelopment Agreement according to its terms. The
22 DIA is hereby required to administer and monitor the Second Amended
23 Redevelopment Agreement and to handle the City's responsibilities
24 thereunder, including the City's responsibilities under such Second
25 Amended Redevelopment Agreement working with and supported by all
26 relevant City departments.

27 **Section 3. Oversight Department.** The Department of Public
28 Works and the Downtown Investment Authority shall oversee the
29 Project described herein.

30 **Section 4. Further Authorizations.** The Mayor, or his
31 designee, and the Corporation Secretary, are hereby authorized to

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

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

22 **Section 6. Effective Date.** This Ordinance shall become
23 effective upon signature by the Mayor or upon becoming effective
24 without the Mayor's signature.

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26 Form Approved:

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28 /s/ Paige H. Johnston

29 Office of General Counsel

30 Legislation Prepared By: John Sawyer

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