

**RESOLUTION
NO. 2020-05 CRA**

A RESOLUTION OF THE PENSACOLA COMMUNITY REDEVELOPMENT AGENCY RELATING TO COMMUNITY REDEVELOPMENT WITHIN THE URBAN CORE COMMUNITY REDEVELOPMENT AREA; PROVIDING FINDINGS; APPROVING AND AUTHORIZING EXECUTION OF A MASTER REDEVELOPMENT AGREEMENT BETWEEN THE AGENCY, THE CITY OF PENSACOLA, FLORIDA, 41 N. JEFFERSON STREET, LLC, 2 NORTH PALAFOX, LLC AND 90 E. GARDEN STREET, LLC, PROVIDING FOR THE REDEVELOPMENT OF CERTAIN PROPERTY LOCATED IN THE REDEVELOPMENT AREA CONSISTING OF RIGHT OF WAY, STREETScape AND WALKWAY IMPROVEMENTS; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE GOVERNING BOARD OF THE COMMUNITY REDEVELOPMENT AGENCY AS FOLLOWS:

SECTION 1. AUTHORITY. This Resolution is adopted pursuant to and under the authority of the Community Redevelopment Act of 1969 codified in Part III, Chapter 163, Florida Statutes, and other applicable provisions of law.

SECTION 2. FINDINGS. It is hereby ascertained, determined and declared that:

(A) Pursuant to Resolution No. 54-80 adopted by the City Council of the City of Pensacola, Florida (the "City Council") on September 25, 1980, and as confirmed and ratified pursuant to Resolution 65-81 adopted by the City Council on September 22, 1981, the City Council found and determined that an area designated therein as the "Pensacola Inner City" is a blighted area as therein described, that a combination of rehabilitation, conservation and redevelopment of the Pensacola Inner City is necessary, that there exists a need for a community redevelopment agency to function in the City to carry out community redevelopment purposes pursuant to Part III, Chapter 163, Florida Statutes (the "Act"), and that the Pensacola Inner City is appropriate for community redevelopment projects and is thereby designated a community redevelopment area.

(B) Pursuant to Resolution No. 55-80 adopted by the City Council on September 25, 1980, and as readopted and reaffirmed pursuant to Resolution 65-81 adopted by the City Council on September 22, 1981, the City Council declared itself to be the "Community Redevelopment Agency" (THE "agency") in the City and vested all rights, powers, duties, privileges and immunities vested in a community redevelopment agency pursuant to the Act in the City Council.

(C) Pursuant to Resolution 65-81 adopted by the City Council on September 22, 1981, the City Council designated the boundaries and found and determined that an area designated therein as the "Urban Core Community Redevelopment Area" (the "Redevelopment Area") is a blighted area as therein described and that the rehabilitation, conservation and redevelopment is necessary and in the public interest.

(D) Pursuant to Ordinance No. 13-84 enacted by the City Council on March 8, 1984, the Urban Core Community Redevelopment Trust Fund was established into which an amount equal to the tax increment paid by each taxing authority each year is deposited in accordance

with section 163.387, Florida Statutes, for the purpose of financing community redevelopment in the Redevelopment Area (the "Tax Increment").

(E) On January 14, 2010, the City Council adopted Resolution No. 02-10 approving an "Urban Core Community Redevelopment Plan 2010" for the Redevelopment Area (as may be further amended from time to time, the "Redevelopment Plan").

(F) On July 18, 2019, the City Council adopted Resolution No. 2019-31 which authorized issuance of the City's Urban Core Redevelopment Refunding and Improvement Revenue Bond, Series 2019 (the "Series 2019 Bond") to refinance certain debt obligations then outstanding and to finance new redevelopment projects in the Redevelopment Area, in furtherance of the Redevelopment Plan, and provided that the Series 2019 Bond would be payable from and secured by Tax Increment Revenues paid by the Agency to the City pursuant to interlocal agreement.

(G) The Series 2019 Bond was issued on July 25, 2019.

(H) 41 N. Jefferson Street, LLC, 2 North Palafox, LLC and 90 E. Garden Street, LLC (collectively, the "Developer") own certain parcels of real property located in the East Garden District, as further described in the form of Master Redevelopment Agreement attached hereto as Appendix A (the "Master Redevelopment Agreement") which parcels are within the boundaries of Redevelopment Area (the "Developer Parcels").

(I) The Developer is undertaking redevelopment of the Developer Parcels with various uses which may include a hotel, parking facilities, restaurant, retail and other multiuse facilities (collectively, the "Developer Facilities"), all of which are generally contemplated by and are objectives of the Redevelopment Plan.

(J) The Developer desires to redevelop and improve the Jefferson Street right of way north of Garden Street and south of Chase Street, which is a City right of way (the "Affected Right of Way"), in conjunction with development and redevelopment of the Developer Parcels which are adjacent or in close proximity to the Affected Right of Way.

(K) The Developer has proposed to the City and the Agency that it will undertake all of the design, site work, construction and landscaping to modify the Affected Right of Way and adjoining areas with streetscape improvements so that it is more walkable and pedestrian friendly and to include certain aesthetic enhancements (collectively, the "Project") as further described in the Master Redevelopment Agreement.

(L) The total estimated cost of the Project is \$2,203,837 a breakdown of which is included in the Project Cost Estimate included in the Master Redevelopment Agreement.

(M) The Developer has represented to the City and the Agency that it is willing to pay a substantial portion of the costs of the Project but will require financial assistance from the City and the Agency to undertake and complete the Project as herein set forth.

(N) The financial assistance to be provided by the City and Agency includes a grant in the amount of \$1,375,000, all or a portion of which will be funded with proceeds of the Series 2019 Bond (the "Redevelopment Incentive").

(O) The amount of the Redevelopment Incentive is reasonably estimated to be equal

to or less than the Tax Increment generated by the Developer Parcels once improved with the Developer Facilities over the duration of the Redevelopment Plan.

(P) The financial assistance to be provided by the City and the Agency as an inducement for installation and construction of the Project will result in creation of a vibrant, attractive and pedestrian friendly destination for residents and visitors of the Redevelopment Area.

(Q) The Developer has proposed that it will install and construct the Project in conjunction with redevelopment of the Developer Parcels.

(R) The Developer Facilities are reasonably expected to generate substantial ad valorem and sales tax revenues through the term of the Redevelopment Plan and beyond.

(S) The Project is expected to act as a catalyst for additional high quality redevelopment in the Redevelopment Area, thus significantly benefiting the City's economy and its citizens and significantly advancing the community redevelopment objectives set forth in the Act and the Redevelopment Plan.

(T) The construction phase of the Developer Facilities and the Project is expected to create local jobs stemming from construction related activities, and upon completion, the Project is expected to create local jobs related to operation of the residential and commercial uses.

(U) Construction and operation of the Developer Facilities and Project is further expected to stimulate economic development in the City and the Redevelopment Area and to materially benefit the City and residents of the Redevelopment Area, the taxing authorities which contribute Tax Increment and their respective residents for many reasons, including but not limited to the increased direct and indirect funds that will be received from ad valorem tax revenue, sales tax revenue, utility revenue, and other revenues.

(V) The Agency therefore has an interest in the diverse economic benefits which would be created through construction of the Project and redevelopment of the Developer Parcels.

(W) The Agency desires to facilitate the successful construction of the Project in order to realize the public and community redevelopment benefits identified herein.

(X) Provision of the Project is a valid and important public purpose in light of the need to redevelop the land within the Redevelopment Area, and the City and the Agency are authorized by the Act to expend Tax Increment proceeds in furtherance of the community redevelopment objectives of remedying blight and preserving and enhancing the tax base.

(Y) The Agency hereby determines that the economic incentives and contributions contemplated herein are an advantageous means of inducing construction of the Project and which will serve a valid and paramount public purpose in that: (1) construction of the Project will directly promote redevelopment in the Redevelopment Area, as well as the overall economy of the City; (2) the Project will further the development of residential and commercial activities in the Redevelopment Area, thereby achieving essential objectives of the Redevelopment Plan and providing a more balanced and stable area economy and increased opportunities for gainful employment; (3) construction of the Project will stimulate and promote redevelopment in the Redevelopment Area as a whole; and (4) all economic incentives will be used for the public purposes described herein.

(Z) The Agency now desires to approve and authorize execution of the Master Redevelopment Agreement in order to provide for installation and construction of the Project in furtherance of meeting the redevelopment goals and objectives set forth in the Redevelopment Plan.

(AA) The Agency hereby determines that it is necessary and in the best interests of the health, safety and welfare of the City and its inhabitants that the City make a grant to the Developer in the form of the Redevelopment Incentive to facilitate installation and construction of the Project, and that the Project shall constitute and serve the purposes of "community redevelopment" within the meaning and in accordance with the Act.

(BB) The Master Redevelopment Agreement has been prepared and reviewed by the Agency, the City and the Developer, and all are desirous of entering into the agreement to effectuate redevelopment of the Project Site upon the terms and conditions as set forth therein.

SECTION 3. APPROVAL OF MASTER REDEVELOPMENT AGREEMENT.

(A) The Master Redevelopment Agreement, in substantially the form attached hereto as Appendix A, is hereby approved

(B) The Chairman of the Agency is authorized and directed to execute and deliver, and the City Clerk is authorized to attest, the Master Redevelopment Agreement, with such omissions, insertions, and variations as may be necessary and/or desirable and approved in consultation with the City Attorney prior to the delivery thereof, with such necessity and/or desirability and approval to be evidenced by the execution and delivery thereof, and to execute and deliver any and all papers and instruments to do and cause to be done all acts and things necessary or proper for carrying out the actions contemplated by this Resolution and the Master Redevelopment Agreement between the parties authorized hereunder.

SECTION 4. RATIFICATION AND CONFIRMATION. Based upon the findings herein, the Redevelopment Plan, and the public purpose advanced by redevelopment of the Redevelopment Area, all prior actions by the Agency associated with advancing redevelopment of the Project Site are in the public interest, serve public purposes and provide for accomplishing community redevelopment consistent with the Redevelopment Plan. The findings herein and all prior actions and plans of the Agency associated with redevelopment of the Project Site are hereby ratified and confirmed.

SECTION 5. SEVERABILITY. If any one or more of the provisions of this Resolution should be held contrary to any express provision of law or shall for any reason whatsoever be held invalid by a court of competent jurisdiction, then such provisions shall be null and void and shall be deemed separate from the remaining provisions of this Resolution.

SECTION 6. All resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 7. This resolution shall become effective immediately upon adoption.

Adopted:_____

Approved:_____
Chairman, CRA

Attest:

City Clerk

APPENDIX A

FORM OF MASTER REDEVELOPMENT AGREEMENT