**Ordinance 2021-0358**

**USS Orleck / Jacksonville Historic Naval Ship Association, Inc.**

**Development Agreement**

**July 12, 2021**

The DIA is requesting City Council approval of Ordinance 2021-0358 authorizing a Development Agreement and License with the Jacksonville Historic Naval Ship Association, Inc. (JHNSA) for the relocation of the USS Orleck, a historic, former US naval vessel, to downtown Jacksonville for tourism and educational purposes.

Upon refurbishment (verified by independent ship survey) and relocation, the ship will be located on the east side of Pier “1” which is the westernmost finger pier in the Shipyards area and immediately adjacent to the Berkman Marina. The pier itself will be reinforced to appropriate engineering standards to accommodate mooring of the ship to withstand sustained winds of 84 knots / 97 mph, without further safety measures.

The warship will be operated as a museum with guided tours and will fulfill a variety of community focused purposes including: 1) overnight camps with scouts, JROTC, and other groups; 2) community events and concerts; 3) children's activities and educational programs; 4) military, holiday, and private ceremonies and celebrations, and 5) fundraising events.

JHNSA would also build a semi-permanent building on the uplands just to the north of Pier 1 and on the east side of Catherine Street for ticket sales, souvenir sales, and restrooms. The structure will also provide a guest services waiting area and an ADA accessible ramp for boarding the ship itself.

All costs associated with fulfilling the Development Agreement and License will be the responsibility of JHNSA including refurbishment, relocation, preparation of Pier 1 and the basin, construction of the upland building and ramp, and ongoing maintenance and operation. The City is not providing incentives or other financial support for this endeavor.

The terms and conditions of Ordinance 2021-0358 are summarized below:

1. The Agreements provide a License for the USS Orleck to be moored at Pier 1 located in the City-owned Shipyards property at no cost to JHNSA for an initial ten (10) year term, with two possible renewals of five (5) years each for a total possible life of twenty (20) years.

2. The license includes the submerged lands under the ship as well as an upland area for the development of a 1,680 square foot building to house the ticket booth, restrooms and gift/concession shop associated with the Museum Ship on Shipyards property.

3. The City of Jacksonville and the DIA have not agreed to provide any funding for the project and title to the property shall remain with the City of Jacksonville.

4. The JHNSA will provide the DIA evidence that it has raised the sufficient funding to complete the project (estimated at $2,800,000).

5. The JHNSA must provide documentation providing evidence that vessel has been properly retrofitted and reconditioned before the towing process to Jacksonville has begun.

6. The DIA may terminate the License agreement for any or no reason with ninety (90) days written notice.

7. The JHNSA is to provide funds to equal to 110% of the costs to remove the vessel within 60 days following the end of the 90-day termination notice. Funds for this purpose will be held in escrow by the City. Cost estimates are to be updated every five years with additional funds placed in escrow as required.

8. DDRB approval for the project was granted at its November 12, 2020 meeting.

9. The DIA will manage the City’s contract with JHNSA.

The relocation and operation of the USS Orleck is seen as an opportunity to increase interest and visitation to downtown Jacksonville with all costs borne by JHNSA.

I look forward to discussing this with you at your convenience and appreciate your support of growth across our Downtown! Please contact me at 255-5304 or by email at SKelley@coj.net with questions.

Thank you,

*Steve*

Steven. T. Kelley, DBA

Director of Downtown Real Estate and Development

Downtown Investment Authority