

Downtown Investment Authority Regular Meeting

City Hall at St. James 117 West Duval St., Lynwood Roberts Room Wednesday, September 30, 2015 - 2:00 p.m.

<u>DIA Regular</u> MEETING MINUTES

Board Members Present: Jim Bailey, Chairman; Jack Meeks, Vice Chairman; Oliver Barakat,

Craig Gibbs, Kay Harper Williams, and Doris Goldstein

Board Members Absent: Robert Clements

Council Member: Council Vice President Lori Boyer

Mayor's Staff: Dr. Johnny Gaffney, Office of the Mayor Boards and Commissions Liaison

DIA Staff: Aundra Wallace, DIA Chief Executive Officer; Guy Parola, DIA Development Manager; Tom Daly, DIA Development Analyst; Jim Klement, DIA Development Coordinator; and Karen Underwood, DIA Executive Assistant

Attendees: Brad Thoburn, JTA Vice President, Long Range Planning and System Development; Kirk Wendland, OED Director; JuCoby Pittman and Steve Diebenow

Office of General Counsel: Susan Grandin

I. CALL TO ORDER

Chairman Bailey convened the meeting at 2:08 p.m. with a quorum present.

II. PRESENTATIONS

JTA Jacksonville Regional Transportation Center and Skyway Update

Brad Thoburn JTA Vice President made a presentation, updated the Board about the process and answered any questions. A copy of the presentation is on file. Mr. Thoburn stated that JTA will be coming back to DDRB as it relates to the overall design.

Chairman Bailey asked the Board if they had any comments. He recognized Council Vice President Lori Boyer, Dr. Johnny Gaffney, Board and Commissions Liaison, Former Board Member Tony Allegretti and Rafael Caldera, DDRB Chairman for their attendance.

III. ACTION ITEMS

Chairman Bailey moved to agenda item G. Resolution 2015-09-05 Lavilla Master Plan Scope of Services.

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CEO Wallace provided an overview of the proposed Resolution to approve a scope of services, included as Exhibit "A" to this resolution, for the procurement of professional services relating to developing a Lavilla Neighborhood Master Plan.

Chairman Bailey asked the Board if they had any comments.

Board Member Goldstein inquired about the design and asked if the DIA will take the lead. She stated that because much of the area was vacant land, it might be appropriate to look at a form-based code to regulate construction. CEO Wallace responded that he will talk with other agencies i.e., DDRB to work closely on the codes. He pointed out designs were not the DIA's area of expertise.

Council Vice Chair Boyer asked if the amount was budgeted in professional services for next year and how the funds were planned to be allocated. CEO Wallace responded that the item will be budgeted around \$80,000 and is within the \$405,000. Council Vice Chair Boyer noted that due to the forthcoming projects there will be a lot of pressure and applications coming forward to DDRB based on existing criteria.

Board Member Barakat referenced the bullet point on page 4 of 4 Exhibit A "make specific recommendations for anchor of uses" and recommended the language to be made more general by changing the language to "make recommendations for all uses" and also suggested deleting "potential" to be replaced with "appropriate".

Board Member Meeks referenced the scope of services and stated that when this gets redeveloped, projects should be designed for an urban area, nota suburban area. Board Member Goldstein concurred.

Chairman Bailey called for comments and noted that no requests to speak had been received.

A MOTION WAS MADE BY BOARD MEMBER GIBBS AND SECONDED BY BOARD MEMBER GOLDSTEIN RESOLUTION 2015-09-05 APPROVING A SCOPE OF SERVICES, INCLUDED AS EXHIBIT 'A' TO THIS RESOLUTION, FOR THE PROCUREMENT OF PROFESSIONAL SERVICES RELATING TO DEVELOPING A LAVILLA NEIGHBORHOOD MASTER PLAN; AUTHORIZING THE DIA CEO TO NETOTIATE AND EXECUTE CONTRACTS IN ACCORDANCE WITH THE SCOPE OF SERVICES PROVIDING AN EFFECTIVE DATE AS AMENDED. THE MOTION PASSED UNANIMOUSLY 6-0.

Chairman Bailey moved to item C. Resolution 2015-09-01 Term Sheet LaVilla Lofts

CEO Wallace provided an overview of the proposed Resolution 2015-09-01 supporting the execution of a redevelopment and incentive agreement between the DIA and Vestcor, Inc: Authorize CEO of the DIA to negotiate the redevelopment agreement; and authorize CEO of the DIA to execute such agreements

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Chairman Bailey asked the Board if they had any comments.

Board Member Meeks inquired about the difference of low income housing and Section 8 housing. CEO Wallace responded the term will be affordable housing. Board Member Meeks asked if there were other things the DIA should do to ensure their design process will be consistent with what to be seemed the more urban non-Suburban setting. CEO Wallace commented that the project will have through go through DDRB. Their architects are very familiar with the DDRB process and staff will be involved. Board Member Meeks addressed concerns of Florida Housing Finance Corp as a risk factor. CEO Wallace responded that there may be some review and revisions of their underwriting process. The Jacksonville Housing Finance Authority process will be utilized and will base upon their guidelines. Steve Moore responded that Vestcor has been in business for 30+ years and has been involved in the affordable housing business since 1993. Audits were taken place with both entities.

Board Member Williams asked if there were any ideas about the designs. Mr. Moore stated that the design has an urban feel. Parking will be underneath the building with offices and amenities on the first floor.

Board Member Barakat asked if there were any other developments in Jacksonville that has experienced this type of funding. Mr. Moore responded yes they have.

Board Member Goldstein commented that a form-based code for this area would help to ensure that all buildings are designed appropriately, rather than to have to address each project individually

Chairman Bailey called for comments.

Bruce Fouraker commented that a \$22M project for \$270,000 is actually a reasonable amount for the DIA. He stated the average unit cost is over \$183,000 and ask Mr. Moore if HUD would come in and subsidize the difference. Mr. Moore responded that there are no other given subsidies on deals after construction.

A MOTION WAS MADE BY BOARD MEMBER GOLDSTEIN AND SECONDED BY BOARD MEMBER GIBBS APPROVING RESOLUTION 2015-09-01 SUPPORTING THE EXECUTION OF A REDEVELOPMENT AND INCENTIVE AGREEMENT BETWEEN THE DIA AND VESTCOR, INC.

THE MOTION PASSED UNANIMOUSLY 6-0.

Chairman Bailey moved to I. Resolution 2015-09-07 Term Sheet Clara White Beaver Street Villas

CEO Wallace provided an overview of the proposed Resolution 2015 09 07 Supporting the execution of a redevelopment and incentive agreement between the DIA and Clara White Mission, Inc.

Board Member Williams questioned if the City of Jacksonville would owe the money back to the federal government the money that has already been invested in the project.

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Council Vice Chair Boyer noted that the Historic Preservation Trust fund dollars were restricted for specific purposes and must be designated before the work is performed, not for work already performed. Tom Daly answered questions.

Ju'Coby Pittman, Clara White CEO stated that an additional project manager will be hired.

CEO Wallace noted what was proposed. Ms. Pittman stated that Clara White Mission has a guarantee letter from the contractor that they will not go over the budget.

Council Vice Chair Boyer inquired if the building was a local designated landmark. Ms. Pittman responded yes it is. Council Vice Chair Boyer inquired if the plans were alreadyapproved for the certificate of appropriateness. Mr. Daly responded. She asked what the original projects were for the Community Development Block Grant Program – CDBG plans. Ms. Pittman replied \$2.1 M and the budget has increased to \$3.1M

Board Member Meeks stated that the DIA is not in the business of providing funding's for charitable activities. He requested for the Office of General Counsel to review a copy the contract of the total remaining of \$2.1M. He also requested a certificate of occupancy. Ms. Pittman stated that she will provide a copy of the certificate of occupancy before any funds were distributed. She pointed out that the project is for the veterans that are trying to get their life back together. Calvin Reed, disabled Army Veteran provided a brief summary of what the Clara White Program provided to him.

A MOTION WAS MADE BY BOARD MEMBER GIBBS AND SECONDED BY BOARD MEMBER WILLIAMS APPROVING RESOLUTION 2015-09-07 AS AMENDED.

CEO Wallace stated that Clara White Mission is currently working on the 1st floor which is where the administration office is located to provide services. The office will be ready somewhere in the summer of 2016.

Board Member Meeks proposed in lieu of the certificate of occupancy as the second amendment to the resolution would be for the staff review to the payment request each month. He stated that there should be an independent inspector by the bank to demonstrate that the work being done is on track. He recommended a copy of the letter from the contractor stating that either \$2.1M or \$3.8M depending where it started. He pointed out that he would be more than happy to review anything. CEO Wallace noted that he will work with Tom Goldsbury to make sure that all inspections are done and check off items prior to releasing the capitol.

Ms. Pittman stated that there will be a 5 year lease agreement as well as additional 5 years totaling 10 years as known as per diem for the veterans.

Susan Grandin advised the Board to Vote on the 1st Amendment to come before the Resolution.

A MOTION WAS MADE BY BOARD MEMBER GIBBS AND SECONDED BY BOARD MEMBER WILLIAMS APPROVING RESOLUTION 2015-09 AS AMENDED. THE MOTION PASSED 5-0-1 Board Member Meeks opposed

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Board Member Meeks wanted to make sure that there was a contractual amendment. CEO Wallace informed him it has not been reviewed by legal. He also indicated that he has been in discussions Mr. Mousa for Mr. Goldsbury to work with DIA. The project manager is a requirement of Synovus. The most viable information to DIA will be when the City Inspector began reviewing the constructions draws, which would be requested by Mr. Mousa and Tom Goldsbury.

Susan Grandin noted that the 2^{nd} amendment has to do with draws and the proportionality of the funding received. Board Member Meeks stated that the bank will have an independent staffer who will review the progress of the project. Susan Grandin stated the Historic Preservation funding goes proportionality with the draw. Council Vice President Boyer cautioned the Board regarding the proportionality because Historic Preservation Trust Funding is only eligible for certain expenditures. CEO Wallace stated that he was fully aware that \$200,000 of the funds could be for the eligible expenses that fit the actual program guidelines.

Chairman Bailey called for comments from the public.

Bruce Fouraker commented that the Clara White Mission has been very important to his family and hopes the Board would help them go forward with their program.

A MOTION WAS MADE BY BOARD MEMBER GIBBS AND SECONDED BY BOARD MEMBER GOLDSTEIN TO APPROVE RESOLUTION 2015-09-07 WITH BOARD MEMBER MEEKS 1ST AMENDMENT WITH THE CONDITION OF DUE DILIGENCE OF THE GENERAL COUNSELS OFFICE.

THE MOTION PASSED UNANIMOUSLY 6-0

The Chairman called for recess.

The meeting recessed at 3:36 p.m. and then reconvened at 3:43 p.m.

Chairman Bailey moved to item D. Resolution 2015-09-02 Ordinance 2015-0627

CEO Wallace provided an overview of the proposed Resolution recommending that the City Council of the City of Jacksonville make certain amendment to the text of the City of Jacksonville 2030 Comprehensive plan by adopting Ordinance 2015-627.

Chairman Bailey called for comments from the public and noted that no requests to speak had been received.

A MOTION WAS MADE BY BOARD MEMBER MEEKS AND SECONDED BY BOARD MEMBER BARAKAT APPROVING RESOLUTION 2015-09-02. THE MOTION PASSED UNANIMOUSLY 6-0.

Chairman Bailey moved to item E. Resolution 2015-09-03 Gresham Smith

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CEO Wallace provided an overview of the proposed Resolution supporting the execution of a commercial revitalization program incentive agreement between the Downtown Investment Authority and GS &P, INC.

Chairman Bailey called for comments from the public and noted that no requests to speak had been received.

A MOTION WAS MADE BY BOARD MEMBER MEEKS AND SECONDED BY BOARD MEMBER GIBBS APPROVING RESOLUTION 2015-09-03.
THE MOTION PASSED UNANIMOUSLY 6-0

Chairman Bailey moved to item F. Resolution 2015-09-04 Jessie Ball DuPont Fund Parking Rights Agreement Modification.

CEO Wallace provided an overview of the proposed Resolution supporting legislation authorizing the Mayor and Corporate Secretary to amend the existing parking rights agreement dated November 18, 2014 between the City of Jacksonville and the Jessie Ball Dupont Fund.

Kirk Wendland OED Director was present to answer any questions.

Board Member Williams inquired if there was any debt on the garage? Kirk Wendland stated that he believes that the City does still have debt on the garage.

Board Member Williams referenced the 16 spaces being used. Kirk Wendland yes only 16 spaces are being used per day.

Board Member Wiliams inquired if he knew which other buildings or companies typically patronize this garage? She asked what was the likelihood that the garage could reach capacity or there might be a tenant who needs the spaces and would want to pay for them? Kirk Wendland replied that the majority of the parkers in that garage are actually tenants of the Yates Building. Councilwoman Boyer asked him a very similar question; and tried to talk with public buildings office today. Mr. Wendland commented that the first three floors are primarily occupied by the listing agency. The fourth floor is being renovated and used by the Office of the Inspector General.

Board Member Williams asked other than the Dupont building, if the majority of the other spaces are from the Yates Building. Mr. Wendland replied correct. Board Member Williams asked if he could think of any other buildings that would have a need for parking in the vicinity so that the Board didn't give up something until 2020 that we wish we could get back.

Kirk Wendland stated that he in unsurea about what would happen in the future.

Mr. Wendland pointed out that DuPont will have the right to come and pay for those spaces to the city and there will be additional parking in the Public Parking fund. Board Member Goldstein asked if it was also possible that if they had to pay for spaces they may suddenly decide they would like to work, carpool or etc.

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Chairman Bailey replied that there is a tremendous amount of parking in that area. He noted the other agencies parking garages in that area would be comfortable to provide them with 5 years and review again in the appropriate timing.

Board Member Meeks inquired about the occupancy level of the DuPont Fund. CEO Wallace stated that he and Kirk Wendland discussed the center. There are a number of nonprofits in that area i.e., First Coast YMCA, United Way which prompted them to request for additional space. Chairman Bailey commented that the center will be open from 9a.m. – 5p.m

Board Member Barakat inquired if the building was fully occupied. Mr. Wendland responded that he was not sure if the building was fully occupied until January 2016.

Board Member Goldstein suggested that the grant be conditioned upon as long as the occupancy in that garage does not exceed a certain percentage. However, if the occupancy regular exceeded that percentage or if there was an incoming tenant that wanted the spaces that would push the occupancy over that amount, Dupont could rent the spaces at the market rate.

Board Member Williams concurred and asked if there was anyone available from the DuPont Center. There was no one available to answer any questions. Mr. Wendland commented that a year ago 250 spaces were requested for 10 years and has been negotiated down. Board Member Meeks said that it would be interesting to know with 200 spaces now 250, how does that coorelate with the tenants that are in the building versus the tenants that have a lease negotiation versus empty spaces. He considered tabling the item until the Jessie Ball DuPont Fund are available to answer any concerns.

Kirk Wendland addressed the challenges of bringing the item back in October as it needs to be placed on City Council's agenda. Council Vice President Boyer commented not to let sequences of Council meetings stop the legislation process as the bill can deferred until information received.

Board Member Meeks recommended deferring until the next regular meeting. Board Member Goldstein restated her amendment. Her amendment was that paragraph C in section 2 be amended to add the language, "provided however if occupancy in the garage increases to capacity or is requested at market rate by tenant, then the Jessie Ball DuPont Fund shall have first right of refusal to rent the spaces at a market rate.

Chairman Bailey restated the proposal would be to change section 2 c on the Resolution 2015-09-04.

Chairman Bailey called for comments from the public.

Dimitri Demopoulos commented about parking constraints downtown. Kirk Wendland answered his questions.

CouncilVice President Boyer noted if the Board takes final to take action and JBDF does not like it, there would be conflicted reports brought forth to City Council. She suggested the Board to include

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in their vote that it is subject to concurrence of JBDF in the event they disagree they will prompt for reconsideration to be revisited at the next meeting.

Board Member Barakat stated that more information is needed from the applicant.

A MOTION WAS MADE BY BOARD MEMBER GOLDSTEIN AND SECONDED BY BOARD MEMBER HARPER APPROVING RESOLUTION 2015-09-04 AS AMENDED BY BOARD MEMBER GOLDSTEIN. THE MOTION FAILED 3-3 BAILEY, GIBBS AND MEEKS.

A MOTION WAS MADE BY BOARD MEMBER BARAKAT AND SECONDED BY BOARD MEMBER GIBBS TO TABLE RESOLUTION 2015-09-04 UNTIL THE NEXT REGULAR MEETING. THE MOTION PASSED UNANIMOUSLY 6-0.

Board Member Meeks stated that it would be appropriate for the applicant to be available for those meetings. Chairman Bailey responded that the agenda was circulated in advance and was taken out of order. He was not sure if they were in the audience until 3:30 p.m.

Chairman Bailey moved to item A. Approval of July 29th 2015 Board Meeting Minutes

A MOTION WAS MADE BY BOARD MEMBER GIBBS AND SECONDED BY BOARD MEMBER BARAKAT APPROVING JULY 29, 2015 REGULAR BOARD MEETING MINUTES. THE MOTION PASSED UNANIMOUSLY 6-0

Chairman Bailey moved to item B. Approval of August 26, 2015 Board Meeting Minutes

A MOTION WAS MADE BY BOARD MEMBER MEEKS AND SECONDED BY BOARD MEMBER BARAKAT APPROVING AUGUST 26, 2015 REGULAR BOARD MEETING MINUTES. THE MOTION PASSED UNANIMOUSLY 6-0.

Chairman Bailey moved to item H. Resolution 2015-09-06 Allocation of Development Rights Agreement – 200 Riverside.

CEO Wallace provided an overview of the proposed Resolution 2015-09-06 APPROVING THE CONVERSION OF DEVELOPMENT RIGHTS, AND THE GRANTING OF ADDITIONAL DEVELOPMENT RIGHTS, TO 200 RIVERSIDE AVENUE, LLP FOR PROPERTY LOCATED WITHIN THE NORTHSIDE WEST COMPONENT OF THE CONSOLIDATED DOWNTOWN DEVELOPMENT OF REGIONAL IMPACT ("DOWNTOWN DRI") PHASE 1 FOR R.E. # 089151-0005 AND 089141-0110; FINDING THAT THE AMENDED PLAN OF DEVELOPMENT IS CONSISTENT WITH THE DIA'S BUSINESS INVESTMENT AND DEVELOPMENT PLAN ("BID PLAN")

Steve Diebenow Attorney, Driver, McAffee Peek and Hawthorne was present on behalf of the applicant to answer any questions.

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Susan Grandin addressed concerns regarding changing the contract that the Council has put in place. She pointed out the DIA can work within the parameters of the contract that the City Council authorized or the applicant could go the City Council and asked for the contract to be revised. She referenced 2.2 Completion of Construction.

The Board discussed the amendments to the Resolution.

Chairman Bailey called for comments from the public and noted that no requests to speak had been received.

A MOTION WAS MADE BY BOARD MEMBER BARAKAT AND SECONDED BY BOARD MEMBER GOLDSTEIN ADDING THE TWO (2) AMENDMENTS STRIKING THE FOURTH WHEREAS ON PAGE 2 OF THE RESOLUTION AND ADDING THE AMENDMENT THAT WAS PRESENTED BY STEVE DIEBENOW. THE MOTION PASSED UNANIMOUSLY 6-0.

IV. CHIEF EXECUTIVE OFFICER REPORT

CEO Wallace provided FY 15/16 Budget Approval Update to the Board.

\$36M of improvements on Coastline Drive.

There will be a continuation of working with the Friends of Hemming Plaza about the homeless issue. Board Member Meeks considered reaching out to Penny Kievet, Director of City Rescue Mission.

V. DDRB BRIEFING

Jim Klement provided the DDRB update.

VI. OLD BUSINESS

Chairman Bailey reported that the marketing plan of the Water Taxi was submitted and they are waiting to meet.

VII. NEW BUSINESS

Southbank Public Parking. CEO Wallace reported that he met with CM Boyer, CAO Secretary of FDOT, JTA CEO and Public works regarding short-term parking and parking access to service the retail as well as parking services to the Southbank. He provided a map to the Board. Council Vice President Boyer addressed the issues in the newspaper about limited public parking access for the Riverwalk. One of the opportunities that were reviewed were bridge construction which provides a lot under bridge covered potential parking areas within 2-3 blocks of the Riverwalk in a variety of location. The Board reviewed the various locations on the map that CEO Wallace provided. The meeting was to have all parties on the same page as a part of the Riverplace Road Diet concept. She

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encouraged the Board's thoughts and opinions. CM Boyer stated that JTA has fenced lot under the Acosta Bridge next to River City Brewery. She recommended Prudential Drive to do their long-term lease on the TPO side instead; and free up the parking adjacent to Friendship Park.

The Board briefly discussed. Chairman Bailey recommended having committee about downtown Parking. He stated that he attended meeting with DVI about the Riverplace Road Diet and it was very encouraging.

CEO Wallace discussed the Jazz Festival locations. A group meeting will be held with Special Events focusing on the 2016 Jazz Festival and would like the DIA's input about where it should be held and come back to the Board.

Chairman Bailey stated that Bay Street was his choice but Laura Street was the best. Board Member Barakat stated Metro Park. Board Member Williams stated that she appreciates more architectural during that time.

VIII. PUBLIC COMMENTS

Public speaker cards on file with the Downtown Investment Authority.

ADJOURNMENT

There being no further business, Chairman Bailey adjourned the meeting at approximately 5:25 p.m.

The next DIA meeting is scheduled for Wednesday, October 28, 2015 at 2:00 p.m.

The written minutes for this meeting are only an overview of what was discussed. For verbatim comments of this meeting, an audio CD is available upon request. Please contact Karen Underwood, at (904) 630-3492, or by email at karenu@coj.net.