

Downtown Investment Authority

AGENDA

City Hall at St. James, 117 West Duval St.
Lynwood Roberts Room

September 23, 2013 – 5:00 PM

MEMBERS:

Oliver Barakat, Chairman

James Bailey, Vice-Chairman

Kay Harper Williams, Secretary

Antonio “Tony” Allegretti, Board Member

Melody S. Bishop, Board Member

Paul Perez, Board Member

Robert Clements, Board Member

Michael Saylor, Board Member

Donald Harris, Board Member

I.	CALL TO ORDER – Chairman Barakat
	Pledge of Allegiance
II.	ACTION/INFORMATION ITEMS - Chairman Barakat
5:00 pm	Approval of the Meeting Minutes Between Chair Barakat and DIA Members Week of 07/15/2013 ✓
	Approval of the August 14, 2013 DIA Special Meeting Minutes ✓
	Approval of the August 21, 2013 DIA Regular Meeting Minutes ✓
5:05 pm	Brooklyn -- Disposition of City-Owned Parcel Acquired from FDOT – Karen Nasrallah ✓
5:25 pm	Proposed Ordinance 2013-564, Enterprise Lease at Library Garage – Jack Shad ✓
5:45 pm	Southbank Presentation – Mike Balanky
6:05 pm	Idea Sharing from Chamber of Commerce Trip
6:15 pm	Benchmarks Update
6:20 pm	Incentive Policy Update – Paul Perez
6:35pm	USS Adams Subcommittee Update – Mike Saylor
	(✓ Requires DIA Action and/or Approval)
III.	DOWNTOWN BRIEFING– Eric Lindstrom/Paul Crawford
6:45 pm	DDRB Update and Next Meeting Date (Thursday, September 5, 2013 at 2:00 pm)
IV.	PUBLIC COMMENTS – Chairman Barakat
6:50 pm	
V.	ADJOURNMENT – Chairman Barakat
7:00 pm	Next Scheduled Meeting: Wednesday, October 16, 2013 at 5:00 pm – City Hall, Lynwood Roberts Room

Staff Distribution:

Aundra Wallace, DIA Chief Executive Officer

Ted Carter, Executive Director OED

Paul Crawford, Deputy Director OED

Eric Lindstrom, OED/DIA Staff

Jason Gabriel, Office of General Counsel

DIA Council Liaison, Lori N. Boyer, Council
Member District 5

Jack Shad, Public Parking Officer

Karen Underwood, Recording Secretary

David DeCamp, Public Information Office



Downtown Investment Authority

City Hall at St. James
117 West Duval St., Lynwood Roberts Room

Wednesday, September 23, 2013 – 5:00 p.m.

MEETING MINUTES

Board Members Present: Chairman O. Barakat, D. Harris, J. Bailey, M. Bishop, R. Clements, M. Saylor, T. Allegritti, P. Perez, and Kay Harper Williams

Board Members Not Present: None

Office of General Counsel: John Sawyer

Council Members Present: Council Member Lori Boyer, District 5

Attendees: Paul Crawford, Deputy Director; Karen Nasrallah, OED Staff; Alex Rudzinski, OED Staff; Jack Shad, Office of Public Parking; and Karen Underwood, Recording Secretary

I. CALL TO ORDER

Chairman Barakat called the meeting to order at approximately 5:03 p.m.

II. ACTION ITEMS/INFORMATION ITEMS

APPROVAL OF MINUTES:

THE DIA CHAIRMAN’S MEETING, JULY 15, 2013, APPROVED UNANIMOUSLY 8-0

THE DIA SPECIAL DIA MEETING AUGUST 14, 2013, APPROVED UNANIMOUSLY 8-0

THE DIA REGULAR MEETING AUGUST 21, 2013, APPROVED UNANIMOUSLY 8-0

Board Member Bishop arrived at 5:14 p.m.

IDEA SHARING FROM CHAMBER OF COMMERCE TRIP

Chairman Oliver Barakat stated that he, Aundra Wallace, and Board Member Tony Allegritti attended the Chamber of Commerce Trip in Charlotte, South Carolina last week. At the end of the trip, there were several breakout sessions and one of the sessions was relating to downtown. There was a lot of passion and energy. There is over 10,000 residential units downtown, with a vacancy rate of 8 percent. The rentals units are \$2.00 per square foot. Their Chamber, downtown, and tourism professionals heavily collaborate with one another. There appeared to be a constant line of communication through advisory boards or special councils; they are proficient in working together. Jacksonville, Florida could certainly improve in that arena. He addressed that the Board needs to remain on the same page when it comes to economic development, transparency, communication, and collaboration. They consistently did ten-year plans.

The plans discussed were from 1960, 1970, 1980, 1990, and 2000. From Jacksonville, the breakout sessions that evolved were business improvement plans and the CRA Plan update. There is a desire to know when the DIA meetings take place and to inform them of when they occur. Chairman Barakat asked the Board to think through how to develop outreach during this planning process and receive stakeholder input. There was an idea of calling a council of stakeholders that would advise the DIA. The DMC, DVI's Chamber Downtown Council, Tourism, and JTA would come together as an advisory council and stay connected with the DIA.

Aundra Wallace added to Chairman Barakat's comments. Vision and planning was seen consistently throughout Charlotte, NC regardless of leadership changes at the civic level, corporate level and politically. There are twenty-five projects underway, 50 Percent rentals, and homeownership ages ranging from 22 to 40 years of age.

Board Member Allegretti commented that Charlotte is very creative at revenue generation. The Levine Center for the Arts, a massive art district, leverages a rental car tax. They rely heavily on tourist development funds. With the projects coming up, 25000 residents downtown will be reached by 2015. Referencing the CRA, their former mayor provided a timeline explanation of all of their plans. He also stated that going through decade-by-decade was very interesting and this board could benefit from that timeline. Lara Diettrech responded that they are already in that process.

Aundra Wallace stated that the key point was when they started in the 1960s, and when they got to the 70s they looked at what they had and had not accomplished and determined why that did not take place from a market condition or from a basic city aspect. The next ten years was driven by what did not take place in the past. Their benchmarks were in place and each decade they were moving forward.

Board Member Bishop asked if it was possible if something similar could occur with the City Council, where council members are on various boards and each of the members represent those groups for purpose the of relaying that information to the DIA.

BROOKLYN DISPOSITION OF CITY-OWNED PARCEL ACQUIRED FROM FDOT

Karen Nasrallah, OED Staff, provided an overview of the disposition of property in Brooklyn (FDOT Parcel).

Chairman Barakat stated that Karen Nasrallah was requesting that the Board authorize the sale of this property to Pope and Land. Ms. Nasrallah responded yes. He stated that this property would be sold from Florida Department of Transportation (FDOT) to the City of Jacksonville once titles transferred into the City's name to complete their project. Karen Nasrallah commented that this is needed for the retail portion of their project.

Board Member Bishop wanted clarification regarding this one sale and asked if this related only to that transaction.

A MOTION WAS MADE BY BOARD MEMBER BISHOP AND SECONDED BY BOARD MEMBER HARRIS, APPROVING THE DISPOSITION OF CITY-OWNED PARCEL ACQUIRED FROM FDOT. THE MOTION PASSED UNANIMOUSLY 9-0-0.

PROPOSED ORDINANCE 2013-564, ENTERPRISE LEASE AT LIBRARY GARAGE

Jack Shad, Public Parking Officer, presented the Enterprise lease at the library garage. He explained that the library garage was built during the Better Jacksonville Plan and was operated by a private company until June of 2013 when it was taken over by the Office of Public Parking. This garage has 18,000 square feet of retail space that has never been leased. The public parking department has negotiated with Enterprise Rent-A-Car and the basic lease information was provided to the Board members.

Discussion/comments from the Board:

Board Member Harris asked what the approximate cost was and wanted to know if they were building all of the retail space for a specific amount. Mr. Shad responded that 1,100 square feet would be on the corner of Duval and Main Street. A storefront will be opened on Duval Street. Their portion of the build out is estimated at almost \$89,000. Board Member Harris asked how many parking spaces there would be. Mr. Shad responded that there would be 26 parking spaces.

Board Member Bishop asked what the comparable rate downtown was and if it is reasonable for a corner of tenant space on Main Street. Chairman Barakat commented that he would be more comfortable with the rate off the corner than on the corner. Main Street is not highly desirable for storefront retail. The rate for a corner space could be higher because corner spaces could generate 20 to 30 percent higher rates. He commented that these rates are in line for off-corner spaces.

Mr. Shad noted that this bill was presented to the Finance Committee and the Recreation Community Development Committee on Tuesday of last week.

Board Member Bishop asked if the signage went through DDRB. Mr. Shad responded that the signage has not gone through DDRB; it would have to be approved in accordance with the sign ordinance before anything can be installed. There is language in the lease that states that any final signage must be approved through the normal channels.

Mr. Bailey asked about the pricing of the spaces. Mr. Shad responded that the spaces are \$45 per month. According to the lease, at each renewal period the current price of spaces in the garage are 20 percent less.

Steven Overgard, Group Operations Manager at Enterprise Rent-A-Car, stated that 50 years ago, they started in body and repair shops and the business has grown substantially. Many people do not know that Enterprise is not located downtown. The Omni Hotel would have been a great space; however, they have outgrown what they are able to do at that location and needed to take it to the next level to be part of downtown. Jim Bailey commented that he hopes this was well thought out.

Board Member Harris stated that this was a great opportunity.

Board Member Harper Williams stated that she has concerns about the lease. She understands needing to lease the garage space and having the signs visible on Main Street downtown, but felt that the numbers needed to be reviewed. Mr. Shad commented that the City did sign a lease two years ago with the US Green Building Council at a free rate and they have never been able to get the funds together to get their buildout. He pointed out it is a separate space but remains empty. Board Member Harper Williams has concerns regarding the time lines while the rates continue to be dramatically lower than the going rate downtown.

Board Member Bishop wanted clarification and asked Mr. Shad if they wanted the DIA to support it and to present to the City Council. Chairman Barakat responded that it was an action to accept or reject. Board Member Bishop asked where they clean the vehicles and are if all of the requirements were being met. Mr. Shad responded that there is a proposal for a car wash, which would be at the back of the parking area with a system that collects the used water and ensures that it is treated properly to prevent the water from going into the storm drains. Steven Overgard commented that it was a hand-wash process and anything that drips down would be contained in a water separator.

Council Member Boyer inquired if the Board either wanted to have the item disapproved or to ask the Council not to act on it tomorrow night and that she would be happy to carry that message to Finance agenda meeting tomorrow. She would ask that it would be rereferred with any suggested amendments. She asked Jack Shad how many spaces there were in the library garage total. Mr. Shad responded 625 spaces. She then asked are leased to the JEA. Mr. Shad responded that they do not lease any directly to JEA. Council Member Boyer asked about the 625 spaces in the garage and how many are leased. Mr. Shad responded over 300. Council Member Boyer stated she has had a number of emails indicating that there are not many spaces available in that garage and she had a concern about how many spaces were being leased to Enterprise and if there would be public parking available. Mr. Shad pointed out that after the leased is signed, there would continue to be 250 to 300 public parking spaces available.

Aundra Wallace mentioned that he would prefer the documents to come to the board first before going through the committee. Questions could be asked at the DIA meeting first.

Mr. Bailey assumed that parking would at some point go back to the DIA. Paul Crawford replied that when the ordinance was approved, parking was considered to be under the DIA but was never allocated to the Board. Chairman Barakat noted that that is something that needed to be addressed in our plans.

Chairman Barakat suggested the Board to make a motion to accept as proposed, reject, or accept the ordinance with conditions.

Chairman Barakat asked Steven Overgaard what the lease amount of the term was needed to fix the rate. There is a 20-year rate.

Council Member Boyer stated as long as there is an approval with conditions, her action tomorrow would be to recommend Ordinance 2013-564 to be referred to committee to consider the Boards recommendations.

Board Member Harris wanted clarification that there was not a 2 percent increase every year

Member Harper Williams commented to the Board that the tenant improvements over 15 years amount to \$238 a month.

Aundra Wallace suggested that if this was not a pressing matter now, for the Enterprise lease offer, that the Board should defer this item until the next DIA meeting in October. He stated that the City Council needs to be fully engaged with all of the above-mentioned information following.

A MOTION WAS MADE BY BOARD MEMBER HARRIS AND SECONDED BY BOARD MEMBER SAYLOR APPROVING THE ENTERPRISE LEASE BUSINESS TERMS AS PROPOSED EXCEPT ALL OF THE RENEWAL TERMS SHALL BE AT MARKET LEASE RATES. THE MOTION PASSED UNANIMOUSLY 8-0-0.

SOUTH BANK PRESENTATION

Mike Balanky, President of Chase Properties, presented the South bank improvements to the development of Riverplace Boulevard. He stated that the initiative began year ago by area residents, businesses, and property owners as a solution to the dangerous driving conditions on Riverplace Boulevard.

Concerned citizens conducted the first of two town hall meetings to discuss the problems and opportunities associated with Riverplace Boulevard. All in attendance showed strong community support with over 100 people in attendance. There were representatives from Gate Riverplace Towers, Downtown Vision Inc., (DVI), Jacksonville Business Journal, and a representative from First Coast News. There have been numerous delays largely due to JTA's Bus Rapid Transit Route, which was originally designed to go on that particular leg of Riverplace Boulevard. Thanks to the leadership of JTA's new executive director, Nat Ford, this is no longer an issue. After receiving feedback from area residents and businesses that have successfully lobbied and received an exemption for the Riverplace Boulevard extension, JTA has recently given Riverplace Boulevard Association their support to proceed with the proposed improvements. The improvements are comparable to the improvements on San Marco Boulevard and these improvements will enhance the South bank as well as the North bank development by providing a safe and more attractive experience with much needed additional parking. The proposed improvements include reducing distances between lanes by way of landscape medians, pedestrian crossings, and dozens of angled parking spaces. This would create traffic calming, resulting in a much safer pedestrian experience and property value enhancements to the front-door appearance into our downtown to attract new people to our area as well as enhanced property values. These improvements would provide a catalyst of the 70-plus acres of potential development at the Wyndham, School Board, and JEA site.

Mr. Balanky is asking the DIA to endorse and adopt this worthy cause. It is his understanding that this project could be funded through the South bank redevelopment plan and part of that plan needs to have seed money to hire a qualified consultant for the initial design and engineering.

Discussion/comments from the Board:

Chairman Barakat commented that this project relates to the Board's conversation regarding the Southbank TIF. The Board needs to determine where the money should go or it would be reallocated towards the General Fund in the next budget cycle. This will entail Aundra Wallace to sit with the departments within the City to determine costs and whether the TIF has ample funds or if other funds might be required.

Board Member Bishop asked Mr. Balanky if he has been in contact with the JTA or Public Works regarding the study. Mr. Balanky responded that he has not had any direct dialogue on this topic but both entities are aware of the potential improvements.

Council Member Boyer commented that when the JTA received word from the federal government that they no longer had to do the dedicated rapid transit lane, the communication back was that they were free to move forward with the pedestrian and bicycle improvements, that it would be appropriate as a Public Works project under the circumstances.

Board Member Harris asked Mr. Balanky if they had similar designers as the San Marco Square and inquired if he any renderings of how it would look. Mr. Balanky responded yes, but was unable to bring the renderings with him and will be happy to share some of those with the board in the future. There has been a huge pro bono effort from many different people to help this initiative, just as in the case of San Marco Square.

Board Member Harris asked if he had been in contact with the consultant and what the plan would look like. Mr. Balanky responded that there has been alot of input from several engineers. Chairman Barakat stated what he is contemplating does conform to the existing plan. Lara Diettrich noted that they have not been in contact and it is not in the current plans and would have to be considered by the Board and committee. Chairman Barakat would like authorization for Aundra Wallace to initiate the due diligence to sit down with the key stakeholder's which is the Department of Public Works, and to begin to determine the liability of this project, costs, and getting further designs to see if the board would like to use the TIF proceeds toward this project. In other, words to officially put it on our project list. Board Member Bishop commented that the Board needs to be prepared by next month to recommend expenditures to Public Works so they can move forward on the initial engineering design.

Board Member Harris suggested the Board to look at all of the projects on the South bank that would evolve over the next five to ten years.

The Board authorized Mr. Wallace to initiate due diligence on the proposed Riverplace Blvd improvements.

Council Member Boyer informed the members that Mr. Wallace should also coordinate with Denise Chaplick, bicycle pedestrian coordinator.

Mr. Balanky requested to be on the DIA agenda twice during the CRA Committee meeting in order to be able to make the presentation in reference to the CRA Plan and was directed to attend the regular meeting.

Council Member Boyer noted the \$132,000 in this year's budget and stated that by March the Board needs to figure out what to do with the \$1 million and a half in the South bank tax increment district because to get it appropriated through Council and have the plan done it needs to be executed well before the budget is proposed for next year.

BENCHMARKS UPDATE

Chairman Barakat suggested deferring this item for another 30 days to help format the redevelopment and business plan.

INCENTIVE POLICY UPDATE

Board Member Perez called an Economy meeting on September 3, 2013 to discuss what the existing sources of funds are as well as to review or discuss what other sources of funding were available. The discussion was centered on the Public Investment Policy, which is currently being updated by the Office of Economic Development (OED). Direction is needed to be provided to Aundra Wallace on whether that Public Investment Policy would be finalized during the first quarter of 2014, whether the downtown part of that is separate from or built into the Public Investment Policy. He suggested that if the board has any comments or thoughts regarding that issue to discuss with Aundra Wallace and Paul Crawford and ask them about the pros and cons. The Board needs to focus on this in the next month or so. He and Aundra Wallace met separately outside of the committee meeting to discuss other sources of funding that might be available for the DIA going forward.

Aundra Wallace stated that other cities have utilized the Section 108 loan fund, which is based upon the Community Development Block Grant funds that come into the city. If the loan defaults, it would hurt your Community Development Block Grant (CDBG) allocation and other programs that are utilizing the money from the other cities.

Member Perez stated that he would talk to Aundra Wallace about what is needed to be done in terms of recommending supporting the Public Investment Policy.

Council Member Boyer referenced draft legislation proposed a year ago modifying the Public Investment Policy but was withdrawn. She stated that someone should look at a base document. That document should provide some information on where the OED is going.

Tony Robbins, AICP Senior Planner, commented as the CRA and DIA Planning consultant, that they will be including Ordinance 2012-213 as a starting point. Their direction and intent is to have

the DIA downtown incentives be different from the OED policy. They can find out the risk or dangers in not being included in the OED policy. Board Member Perez would like to know how that affects the DIA incentive policy and procedures.

USS ADAMS SUBCOMMITTEE UPDATE

Board Member Saylor's USS Adams Subcommittee met on September 13, 2013. They discovered some problems in the revenue side of the analysis and sent them back to allow more time to conduct further research. They will be reconvening with the committee this coming week. They will need some waterfront improvement capital funding; the City could sponsor a loan to do the berth improvements and weatherproofing. They will come back and report to the Board at a future date later.

CRA PLAN UPDATE

Board Member Bishop provided an update that the consultants have been working with the Bard and making presentations. She reminded the members to forward input to Lara and Tony.

Tony Robbins reminded the board that the meeting has been rescheduled from Wednesday, September 25 to Friday September 27 at 3pm. The kickoff of the planning month in October will begin with input from the stakeholders and people from Jacksonville at large. Board Member Bishop stressed to the board that it is very important for all members to attend. These workshops are intended to solicit input and provide bite-sized morsels of the plan that will be received over the holidays to get feedback. She stated that the only way to receive input is to provide information. Lara Diетtrech stated that timing is important and input is needed as quickly as possible.

DISCUSSION OF COUNCIL BILL TO SELL DOWNTOWN ASSETS TO REDUCE CITY DEBT

Chairman Barakat addressed Ordinance 2013-669. The bill declares as surplus and authorizes the conveyance to the Police and Fire Pension Fund the following City properties: Jacksonville Shipyards (750 and 950 E. Bay Street); old county courthouse (330 E. Bay Street); old City Hall (220 E. Bay Street); Main and Forsyth parking lot (Main and Forsyth streets); Water Street parking garage (541 W. Water Street); and the block bounded by Pearl, Adams, Julia and Monroe Streets (vacant lot south of the old Federal Courthouse/new State Attorney's Office, building – acquired as a portion of the new county courthouse site).

Chairman Barakat stated if this bill were approved, it would alter what the Board could say and do. If this were sold to a non-city entity, the DIA would not have any control over it. The Board should be mindful of some items before City Council tomorrow night.

Chairman Barakat opened the discussion.

Council Member Boyer informed the Board that the Council President is not going to allow this to be heard as an emergency and would only be heard as an emergency if it were two-thirds of

majority to override the Council President. Based on various comments from news reports, there are not two-thirds of the council members that would support this on an emergency basis. She also commented that it is definitely a consideration that the Pension Reform Task Force and the Civic Council review as to whether some asset transfer is part of the pension solution. She pointed out to the Board that later it would not be bad for the Board to come up with a position or a thought on how to respond generally to the transfer of downtown assets. A comment from the Mayor's administration was that they would like to see this bill deferred until the Pension Reform Task Force completes its work, which is to start in January or February 2014.

HEMMING PLAZA UPDATE

Mr. Wallace provided an update from the September 12, 2013 Hemming Plaza RFP meeting with Council President Gulliford and Council Member Denise Lee. He had a conversation with Kelly Boree, Director of Parks, and Recreation, today and she informed him that she would provide a revised RFP back to the Board before the next regularly scheduled meeting. The Board needs to provide input, then the DIA's input, then to OGC, to Risk Management, then to Procurement, and this RFP may be completed sometime in the month of November.

Council Member Lori Boyer addressed the procedure. She informed the Board that the DDRB and the DIA function like the LUZ committee and the City Council with respect to downtown properties. This would be a quasi-judicial matter and can have meetings but would need to keep track of whom you met with, when you met with them, and what was discussed so it could be disclosed on the record. The level of formality of the procedure is way above the board's current meeting structure and she wanted the Board to be prepared for this. The LUZ committee has a workshop scheduled on October 2, 2013, at 1pm, in the Council Chambers, that will address and discuss all of the various supplemental agreements that pertain to the billboard companies. It would be very informational to those who wanted to attend.

III. DOWNTOWN BRIEFING

Mrs. Rudzinski provided an update from the September 5, 2013 DDRB meeting.

IV. PUBLIC COMMENTS

The floor was open for public comments.

- Jennifer Hewett-Apperson, Downtown Vision Inc. (DVI), Director of District Services, provided a brief overview on what DVI has going on next week. The Art Walk will hold a Germany-style Oktoberfest on Wednesday, October 2, 2013 from 5pm. to 11pm. The November Art Walk will be celebrating 10 years of the Art Walk. The State of Downtown 2013 Progress Report had been posted on the DVI website a month or two ago and provided a hard copy to the DIA board members.

- John Nooney, stated that DIA needs to support the USS Adams for a spot at the Shipyards site. This would require a fixed asset for ships in the future. He advised the Board to embrace the IBM Smarter Cities Challenge and to contact them to provide updates.
- Board Member Allegretti informed the Board that the Experience Committee would meet on Friday, October 4, 2013 at 4pm in the Lynwood Roberts Room.
- Lara Dietrich discussed Parks Department leases. She noted that every agreement with different associations is site specific to each park. It's different and based on maintenance, improvements, and lighting. Taxpaying citizens do not use these parks because PAL, Pop Warner and other groups manage the parks as if it was private property. Many incidents have occurred and the City of Jacksonville has never audited the system to make sure that the improvements and maintenance has been kept up.
- Bruce Fouraker commented that he really appreciated the Hemming Plaza RFP meeting. He asked Board Member Bishop regarding Riverplace Boulevard and wanted to know under the mobility plan and with the narrowing of lanes if it possible to do angled parking as opposed to narrow parking. Board Member Bishop responded that, yes that is what the sketch is currently showing.

VI. OLD BUSINESS

Board Member Saylor stated that the Board has budget operational staffing plans. He wanted to reconstitute a search committee to assist Aundra Wallace on filling vacant positions.

VII. NEW BUSINESS

None

VIII. ADJOURNMENT

There being no further business, Chairman Barakat adjourned the meeting at approximately 7:40 p.m.

The next regularly scheduled DIA meeting is scheduled for Wednesday, October 16, 2013, at 5:00 p.m.

Please note that all attachments referenced above will be posted on the DIA Web site, www.jaxdowntowninvestment.org

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) 255-7567 or by email at karenu@coj.net.