



Amended Downtown Investment Authority Agenda

**Hybrid Virtual In-Person Meeting
Wednesday, July 20, 2022 at 2:00 p.m.**

MEMBERS:

Jim Citrano, Secretary

Todd Froats, Board Member

Stephanie Burch, Esq., Board Member

Oliver Barakat, Board Member

Craig Gibbs, Esq., Board Member

David Ward, Esq., Board Member

BOARD MEMBERS EXCUSED: Braxton Gillam, Esq., Chair and Carol Worsham, Vice Chair

I. CALL TO ORDER

II. PUBLIC COMMENTS

III. COMMUNITY REDEVELOPMENT AGENCY

- A. June 21, 2022 Community Redevelopment Agency Meeting Minutes
- B. Consent Agenda
- C. Resolution 2022-07-01: D&G Deli Sidewalk Enhancement Grant
- D. Resolution 2022-07-02: Central National Bank DPRP Term Sheet Modification
- E. Other Matters to be Added at the Discretion of the Chair

IV. DOWNTOWN INVESTMENT AUTHORITY

- A. June 21, 2022 Downtown Investment Authority Board Meeting Minutes
- B. Consent Agenda
- C. Resolution 2021-09-06: Craig Gibbs Recognition Ratification
- D. Resolution 2022-07-03: Ratification of Disposition Policy Changes
- E. Resolution 2022-07-04: Unsolicited Proposal Policy Changes

V. OLD BUSINESS

VI. NEW BUSINESS

- A. Election of Officers

VII. CEO INFORMATIONAL BRIEFING

VIII. CHAIRMAN REPORT

IX. ADJOURN

[CONTINUED ON FOLLOWING PAGE]

PHYSICAL LOCATION

Jacksonville Public Library-Main Library/Downtown
303 North Laura Street
Multipurpose Room (located in the Conference Center)
Jacksonville, Florida 32202

Visitors are encouraged not to enter City owned public buildings if they have: symptoms of COVID-19, a fever of 100.4 degrees Fahrenheit or higher, are currently undergoing evaluation for COVID-19 infection, a diagnosis of COVID-19 in the prior 10 days, or have had close contact with someone infected with COVID-19 during the prior 14 days. Any member of the public entering City owned public building may choose to wear a mask inside the building.

Directions to Multipurpose Room: Upon entering Laura Street entrance to the Library, follow directions and signage for temperature check, then proceed into the Main Library. Walk counterclockwise around the grand staircase and you will see signs for the public elevators. Take the elevator down to level C for Conference Level. Exit the elevator and follow hallway out. Turn left out of the hallway and proceed through glass doors into Conference Center. The Multipurpose Room is the first room on the left.

VIRTUAL LOCATION

Interested persons desiring to attend this meeting virtually can do so via Zoom (including by computer or telephone) using the following meeting access information:

Join Zoom Meeting

<https://zoom.us/j/94074017448?pwd=WklzbHNRRCT6cFBqL0M4YkNrMkxrQT09>

Meeting ID: 940 7401 7448

Passcode: 642945

One tap mobile

+1 (301) 715-8592 (Washington D.C)

+1 (312) 626-6799 US (Chicago)

Find your local number: <https://zoom.us/u/aclhApq5DJ>

TAB III.A
JUNE 21, 2022
COMMUNITY REDEVELOPMENT AGENCY MEETING MINUTES



Downtown Investment Authority
Hybrid Meeting
Tuesday, June 21, 2022 – 2:30 p.m.

Community Redevelopment Agency
MEETING MINUTES

DIA Board Members (BM): Braxton Gillam, Esq., Chair; Jim Citrano, Secretary; Oliver Barakat; Todd Froats; Ron Moody; and David Ward, Esq.

DIA Board Members Excused: Carol Worsham, Vice Chair; Craig Gibbs, Esq.; and Stephanie Burch, Esq.

Mayor’s Staff: None

Council Members: None

DIA Staff: Lori Boyer, Chief Executive Officer; Steve Kelley, Director of Downtown Real Estate and Development; Guy Parola, Operations Manager; John Crescimbeni, Contract and Regulatory Compliance Manager (via Zoom); Wanda J. Crowley, Financial Analyst (via Zoom); and Xzavier Chisholm, Administrative Assistant

Office of General Counsel: John Sawyer, Esq.

I. CALL TO ORDER

Chairman Gillam called the CRA Board Meeting to order at 2:35 p.m.

II. PUBLIC COMMENTS

Chairman Gillam opened the floor to public comment.

The following persons made in-person public comments, made public comments virtually through Zoom, or provided comments that were read into the record by DIA Staff. Note: the subject matter of the comment(s) indicated to the right of each person:

Carnell Oliver	Advocated for reforming the City charter to help make the city more inclusive; advocated for setting aside a percentage of housing for low-income and moderate income individuals.
----------------	--

Oliver Barakat arrived.

III. Presentation on Downtown Maintenance by ETM and Public Works

Chairman Gillam rearranged the agenda, allowing item VI.B – Presentation on Downtown Maintenance by ETM and Public Works to go presently.

Noel Famy, with the Public Works Department, gave a presentation on the asset management system software program created to optimize the tracking of asset conditions, costs, and work history. The software program that the Board helped to fund also provides CIP visualization and centralization, future development visibility, and geospatial document storage.

BM Froats commented that it is worth considering who should own the software, whether that is the City or DIA. He asked if members of the public are able to take pictures of blight or disrepair and use the software. Mr. Famy responded no but it is a feature that is available.

CEO Boyer noted that there has also been discussion regarding the next steps, which would include professional service dollars to go ahead and draft the scope that would be needed for an enhanced streetscape maintenance contract.

IV. COMMUNITY REDEVELOPMENT AGENCY MEETING

A. MAY 18, 2022 COMMUNITY REDEVELOPMENT AGENCY MEETING MINUTES

Having called for corrections or other edits by his fellow board members and after receiving none, Chairman Gillam asked for a motion and second on the item.

Motion: BM Moody moved to approve the minutes as presented

Seconded: BM Citrano seconded the motion

Vote: Aye: 6 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 6-0-0.

B. CONSENT AGENDA

i. RESOLUTION 2022-06-01: NB TID FY 22-23 BUDGET AMENDMENT

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY AS THE COMMUNITY REDEVELOPMENT AGENCY FOR THE COMBINED NORTH BANK COMMUNITY REDEVELOPMENT AREA TENTATIVELY ADOPTING FISCAL YEAR 2022-2023 BUDGET FOR THE COMBINED DOWNTOWN EAST AND NORTHWEST TAX INCREMENT DISTRICT; PROVIDING FOR AN EFFECTIVE DATE.

Recommended for approval by the Finance and Budget committee.

ii. RESOLUTION 2022-06-02: SS TID FY 22-23 BUDGET AMENDMENT

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY AS THE COMMUNITY REDEVELOPMENT AGENCY FOR THE SOUTHSIDE COMMUNITY REDEVELOPMENT AREA TENTATIVELY ADOPTING

FISCAL YEAR 2022-2023 BUDGET FOR THE SOUTHSIDE TAX INCREMENT DISTRICT; PROVIDING FOR AN EFFECTIVE DATE.

Recommended for approval by the Finance and Budget committee.

Chairman Gillam called for a voice vote for all resolutions on the consent agenda.

Vote: Aye: 6 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 6-0-0.

C. RESOLUTION 2022-06-04: SHIPYARD OFFICE PARCEL DISPOSITION

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) INSTRUCTING ITS CHIEF EXECUTIVE OFFICER (“CEO”) TO ISSUE A 30-DAY NOTICE OF DISPOSITION IN ACCORDANCE WITH THE NEGOTIATED DISPOSITION PROCEDURE ADOPTED BY DIA; AUTHORIZING THE PUBLICATION OF A NOTICE OF DISPOSITION FOR THE FEE SIMPLE DISPOSITION OF AN APPROXIMATELY 1.05 ACRE PARCEL (THE “OFFICE PARCEL”) OF CITY-OWNED REAL PROPERTY AS DEPICTED ON THE SITE PLAN ATTACHED HERETO AS EXHIBIT “A” AND COMPRISING A PORTION THE LAND GENERALLY KNOWN AS KIDS KAMPUS LOCATED BETWEEN GATOR BOWL BOULEVARD AND THE ST. JOHNS RIVER, AND IDENTIFIED BY DUVAL COUNTY TAX PARCEL NUMBER RE# 130572-0100, “THE PROPERTY”; EXPRESSING THE INTENTION TO DISPOSE OF SAID PROPERTY SUBSTANTIALLY IN ACCORDANCE WITH THE NEGOTIATED TERMS TO IGUANA INVESTMENTS OF FLORIDA, LLC (THE “DEVELOPER”) UPON EXPIRATION OF THE THIRTY-DAY NOTICE PERIOD ABSENT HIGHER RESPONSIVE OFFERS, SUBJECT TO BOARD APPROVAL OF FULLY NEGOTIATED TERMS AT A MEETING AT WHICH THE CEO OF DIA PRESENTS SUCH TERMS TO THE BOARD; ESTABLISHING THE TERMS OF THE PUBLISHED NOTICE OF DISPOSITION; FINDING THAT THIS RESOLUTION FURTHERS THE BUSINESS INVESTMENT AND DEVELOPMENT (“BID”) PLAN, INCLUDING THE COMMUNITY REDEVELOPMENT AREA PLAN; AUTHORIZING THE CEO OF THE DIA TO TAKE ALL ACTION NECESSARY TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

CEO Boyer presented the resolution, which is recommended for approval as amended by the Retail Enhancement and Property Disposition (REPD) committee. The resolution requests authorization for publication of a 30-day Notice of Disposition (NOD) for a fee simple sale of the office parcel at Kids Kampus. Exhibit C reflects the essential terms of the NOD. The REPD committee amended the resolution, which previously indicated a Class A Office space, to remove “office” and change 157,027 to “150,000 gross square feet or greater.”

Responding to a question from Chairman Gillam regarding the different disposition processes, CEO Boyer stated that the DIA has both a negotiated disposition and an unsolicited proposal process. The DIA can also initiate a bid process of its own volition where terms are set, as was done with the Ford on Bay or Riverfront Plaza. The shipyard office parcel would be a negotiated disposition.

BM Barakat added that the REPD committee discussed a desire to understand the change in the ROI and its impact on the city.

BM Moody asked who performed the appraisal. CEO Boyer responded that it was Patrick Fitz and it was performed in March.

CEO Boyer confirmed for BM Moody that if more bids are received, they will be evaluated based on several criteria such as the offer price for the land, the value of the building they are proposing, its use, and how it fits in with the overall plan.

Motion: Recommended for approval out of the REPD committee

Vote: Aye: 6 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 6-0-0.

ADJOURNMENT: The Community Redevelopment Agency proceedings are adjourned at 3:07 p.m.

The written minutes for this meeting are only an overview of what was discussed. For verbatim comments of this meeting, a recording is available upon request. Please contact Xzavier Chisholm at xchisholm@coj.net to acquire a recording of the meeting.

TAB III.C

RESOLUTION 2022-07-01: D&G DELI SIDEWALK ENHANCEMENT GRANT

RESOLUTION 2022-07-01

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) ACTING AS THE COMBINED NORTHBANK COMMUNITY DEVELOPMENT AGENCY (“GRANTOR”) APPROVING THE AWARD OF A RETAIL ENHANCEMENT PROGRAM FORGIVABLE SIDEWALK ENHANCEMENT LOAN TO D AND G DELI AND GRILL INC. (“GRANTEE”); AUTHORIZING THE CEO OF THE DIA TO NEGOTIATE A FORGIVABLE LOAN AGREEMENT OR EQUIVALENT; AUTHORIZING THE DIA CEO TO EXECUTE SUCH AGREEMENT; AND FINDING THAT THE PROPOSED SIDEWALK CAFÉ FURTHERS THE DIA’S BUSINESS INVESTMENT AND DEVELOPMENT PLAN, INCLUDING THE NORTHBANK CRA PLAN (“BID PLAN”) AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Grantee submitted a Retail Enhancement Program - Sidewalk Enhancement application to the DIA under the Targeted Retail Activation: Food and Beverage Establishments Program adopted by DIA pursuant to Resolution 2020-06-01 and as modified by Resolution 2021-12-02; and

WHEREAS, the application, attached hereto as Exhibit A, was reviewed by the DIA staff, and found to be consistent with the BID Plan and CRA Plan for Downtown Northbank; and

WHEREAS, the DIA is authorized to utilize the Northbank Combined Tax Increment District funds, in accordance with the CRA Plan, to foster the redevelopment of the Downtown Northbank Community Redevelopment Area; and

WHEREAS, there are sufficient funds available within the Northbank CRA approved budget for Retail Enhancement to fund this request; and

WHEREAS, to assist the Grantee in activating Downtown by adding additional sidewalk service area to their existing restaurant, DIA staff recommends that the DIA approve a Sidewalk Enhancement Forgivable Loan in the amount not to exceed \$4,400.00 (Four Thousand Four Hundred Dollars) to the Grantee in accordance with the terms of the established program and the application attached hereto as Exhibit A; and

NOW, THEREFORE, BE IT RESOLVED, by the Downtown Investment Authority:

Section 1. The DIA finds that the recitals set forth above are true and correct and are incorporated herein by this reference.

Section 2. The DIA hereby finds that the Project is supported by the following Goal(s) and Strategic Objective(s) of the BID Plan:

- Goal 3: Increase and diversify the number and type of retail, food, and beverage, and entertainment establishments within Downtown.
- Goal 4: Increase the vibrancy of Downtown for residents and visitors through arts, culture, history, sports, theater, events, parks, and attractions.
- Goal 6: Improve the walkability/bike-ability of Downtown and pedestrian and bicycle connectivity between Downtown and adjacent neighborhoods and the St. Johns River

Section 3. The DIA hereby approves the award of a Retail Enhancement Grant Sidewalk Enhancement Grant in the amount of \$4,400.00 from the Combined Northbank CRA to Grantee to be provided in accordance with the application attached hereto as Exhibit A and the adopted Sidewalk Enhancement program guidelines.

Section 4. This award is subject to each of the following prior to reimbursement for eligible expenditures as may be submitted:

- a) Maximum funding limited to 80% of actual costs incurred as supported by invoices, but not more than \$4,400.00, and
- b) Evidence of ownership for the suite in the form of a property deed in lieu of a lease.
- c) Tenant's submission and approval of a valid Sidewalk Café Permit approved upon funding request and board approval.
- d) DIA reserves the right to inspect the improvements during the compliance period.
- e) The admission of the Sidewalk Enhancement grant will be made as a grant with clawback provisions for a term of 3 years

Section 5. The Chief Executive Officer is hereby authorized to negotiate and execute the Loan Agreement or equivalent and otherwise take all necessary action in connection therewith to effectuate the purposes of this Resolution.

Section 6. The Effective Date of this Resolution is the date of execution of this Resolution by the Chair of the DIA Board.

*** SIGNATURES FOUND ON THE FOLLOWING PAGE ***

RESOLUTION 2022-07-01

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Witness

~~W. Braxton Gillam IV, Esq., Chairman~~
James Citrano, Jr., Secretary, and
Acting Chairman

Date

VOTE: In Favor: _____ Opposed: _____ Abstained: _____

SUPPLEMENTAL INFORMATION

DIA Staff Report
D&G Deli and Grill
Sidewalk Enhancement Grant Program
July 20, 2022

Project name / Applicant: **D & G DELI & GRILL, INC. d/b/a D&G Deli and Grill**
Co-owner/Operator, Mr. Gilbert Rexhepi
Co-owner/Operator, Mr. Danny Isa

Project Location: 233 E. Bay St, Suite # L-02
Jacksonville, Florida 32202

Total Project Costs:	\$5,500	100%
Applicant Contribution:	\$1,100	20%
Funding Request:	\$4,400	80%

Recommended Funding:	Lesser of \$4,400 or 80% of Actual Total Project Costs
-----------------------------	---



Business Bio:

D&G Deli and Grill is a full-service restaurant that offers a wide variety of breakfast and lunch plates specializing in fresh deli style sliced meats. Located in the historic Blackstone building at 233 E Bay Street, D&G Deli and Grill state that they offer fresh foods through the local family-owned farms and food partners to bring quality products directly to their consumer. Ajro Isa (Danny) and Ylber Rexhepi (Gilbert) purchased the L-02 suite at the Blackstone building and started D&G Deli & Grill LLC in 2015. The partnership created by the two brothers started operating out of the suite as D&G Deli and Grill as confirmed through the property appraiser website as well as the Division of Corporations. Offering an array of services including catering, owner and operators Danny Isa and Gilbert Rexhepi started D&G

DIA Staff Report
D&G Deli and Grill
Sidewalk Enhancement Grant Program
July 20, 2022

Deli & Grill LLC after moving from Detroit and finding that downtown had a need for fresh deli style meals. Their website states that they are consistently ranked as the Top Deli in town, and they work with a small group of trusted quality vendors to bring the finest food products to our community. D & G is open Monday through Saturday, 7:00 am to 3:00 pm.

Project Description:

The applicant, D & G Deli and Grill LLC., has applied for funding under the Retail Enhancement Grant, Sidewalk Enhancement Stand-Alone program. D & G Deli and Grill LLC proposes to add four cafe tables, sixteen chairs at a cost of \$3,633.00, four umbrellas and base at \$1,247.66, hanging plants, and potted plants for \$584.86 for a total of \$5,465.52 to the sidewalk in front of their existing location at 233 E Bay Street to, "Add a new modern look with bright and bold colors and clean greenery".

The subject property is located within the Elbow-defined district of the Targeted Retail Activation: Food and Beverage Establishments Program (FAB-REP) adopted by DIA pursuant to Resolution 2020-06-01. Property taxes have been confirmed to have been paid for the 2021 tax year at the subject location as required by program guidelines.

In order to secure the items that are purchased per the program guidelines, D&G deli proposes bringing the tables, chairs, umbrellas, and hanging plants, indoors after closing each day. The potted plants will be too heavy to move so they will remain outdoors. This is considered an eligible activity under the program guidelines.

Staff Recommendation:

Staff recommends approval of the request under the Retail Enhancement Grant Program as incurred and supported by receipts. Funding will be made from the Retail Enhancement Grant Program upon purchase and installation of the equipment as proposed, subject to the following terms and conditions:

1. Maximum funding limited to 80% of actual costs incurred but not more than \$4,400.00, as supported by invoices and physical verification of the equipment purchased.
2. Evidence of ownership for the suite in the form of a property deed in lieu of a lease.
3. Tenant's submission and approval of a valid Sidewalk Café Permit approved upon funding request and board approval.
4. DIA reserves the right to inspect the improvements during the compliance period.
5. The admission of the Sidewalk Enhancement grant will be made as a grant with clawback provisions for a term of 3 years.

TAB III.D

**RESOLUTION 2022-07-02: CENTRAL NATIONAL BANK DPRP TERM SHEET
MODIFICATION**

RESOLUTION 2022-07-02

RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AMENDING RESOLUTION 2021-11-02 TO REVISE THE DWELLING UNIT MINIMUM ESTABLISHED THEREIN AS REFLECTED IN THE AMENDED TERM SHEET ATTACHED HERETO AS EXHIBIT ‘A’; AUTHORIZING THE CEO OF THE DIA TO NEGOTIATE AN AMENDED REDEVELOPMENT AGREEMENT AND ASSOCIATED DOCUMENTS; AUTHORIZING THE DIA CHIEF EXECUTIVE OFFICER (“CEO”) TO TAKE ALL ACTIONS, INCLUDING THE FILING OF LEGISLATION, AND THE EXECUTION OF CONTRACTS, AGREEMENTS AND OTHER DOCUMENTS AS ARE NECESSARY TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the DIA is the Community Redevelopment Agency and Economic Development entity for Downtown Jacksonville; and

WHEREAS, in its role as the Community Redevelopment Agency and Economic Development entity for Downtown, the DIA is responsible for administering the Downtown Preservation and Revitalization Program; and

WHEREAS, the Downtown Preservation And Revitalization Program (“DPRP”) was created by Ordinance 2020-0527-E for purpose of fostering the preservation and revitalization of unoccupied, underutilized, and/or deteriorating historic buildings; and

WHEREAS, via Ordinance 2020-0485-E, the Central National Bank Building (“Property”) located at 404 N. Julia Street was designated as a local historic landmark; and

WHEREAS, Resolution 2021-11-02 was approved by the DIA Board at its regularly scheduled meeting of November 17, 2021, for a DPRP forgivable loan package with Axis 404 Julia, LLC ("Axis 404") or assigns ("Developer") for renovations to the Property; and

WHEREAS, Developer has diligently proceeded with design, approvals, and permitting and is prepared to move forward with development plans in accordance with the Performance Schedule contained in the Term Sheet; and

WHEREAS, a conditional approval by the National Park Service of the Part 2 application issued April 12, 2022, restricts the proposed installation of windows which limits the number of dwelling units that may be developed on the Property below the previously approved minimum; and

WHEREAS, no other terms or conditions as set forth in the original Ex. A Term Sheet approved in Resolution 2021-11-02 is modified by this Resolution 2022-07-02 and Ex. A Term Sheet; and

WHEREAS, the Project requires City participation in accordance with those amounts and subject to those requirements as found in the revised Exhibit ‘A’ Term Sheet as attached; and

NOW, THEREFORE, BE IT RESOLVED, by the Downtown Investment Authority:

Section 1. The DIA finds that the abovementioned recitals are true and correct.

Section 2. The DIA hereby approves the attached revised Exhibit 'A' Term Sheet reflecting the lower dwelling unit minimum.

Section 3. The DIA authorizes its CEO to take all necessary action, including the filing of legislation and the execution of contracts, agreements and other documents as may be necessary to effectuate the purposes of this Resolution 2022-07-02.

Section 4. This Resolution shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

~~W. Braxton Gillam IV, Esq., Chairman~~
James Citrano, Jr., Secretary, and
Acting Chairman

Date

VOTE: In Favor: _____ Opposed: _____ Abstained: _____

Exhibit A:

**DOWNTOWN PRESERVATION AND REVITALIZATION PROGRAM
TERM SHEET**

**Central National Bank Building
404 N. Julia Street, Jacksonville FL 32202**

Project: The project proposes the redevelopment of a historic property in the Central Core District of Downtown Jacksonville utilizing funding through the Downtown Preservation and Revitalization Program (“DPRP”).

The Central National Bank Building (“CNB”) located at 404 N. Julia Street, RE# 073802 0000, is a historic structure with three stories to be redeveloped with a proposed 32 residential units and a projected 5,769 square feet of gross commercial/retail space on the ground floor, including 3,240 sf of gross leasable space.

Applicant / Borrower: Axis 404 Julia, LLC (Axis 404), a single purpose entity created by Augustine Development Group, George Bochis, CEO; Bryan Greiner, President

Total Development Costs (estimate): \$14,916,353

Underwritten Development Costs Used for DPRP Calculations: \$14,267,875

Equity (proposed): \$2,250,000 (15.8% of TDC as underwritten)

City Funding: No more than **\$5,814,697** (through the City of Jacksonville Downtown Investment Authority), as follows:

	Historic Preservation, Restoration, and Rehabilitation Forgivable Loan (HPRR)	Code Compliance Forgivable Loan (CCR)	DPRP Deferred Principal Loan	TOTAL
TOTAL	\$2,261,349	\$2,303,348	\$1,250,000	\$5,814,697

In combination, the HPRR Forgivable Loan, the CCR Forgivable Loan, and the DPRP Deferred Principal Loan are referred to as the DPRP Loans. At the funding level and structure proposed, the incentive structure and funding under the DPRP is subject to further approvals and funding commitment by the Jacksonville City Council.

Infrastructure: No City of Jacksonville infrastructure improvements are contemplated.

Land: No City of Jacksonville land is committed to the project.

Loans: No other loans, grants, or other funding from the City of Jacksonville are contemplated for this Phase of the Project, although commercial tenants leasing space within these Properties may be eligible for funding under separate programs. No costs may be submitted for duplicative funding under more than one DIA incentive program. However, costs incurred by the DPRP Applicant may count towards their required contribution under the Retail Enhancement Program (“REP”) to the extent such costs are directly attributable to space that would be occupied by the REP Applicant.

The broader project includes a new construction phase providing a REV Grant of \$4,450,000 and funding for garage spaces for the use of COJ JFRD totaling \$2,000,000 as detailed under Resolution 2021-10-03, and its Ex. A Term Sheet. None of that City funding, nor the related construction budgets and development costs, shall overlap or otherwise be comingled or included in funding of the subject DPRP request.

Minimums:

- A) The minimum Total Equity Capital contribution through completion to remain eligible for the maximum DPRP Funding as outlined is \$2,250,000.
- B) The minimum Total Development Costs for the Project is \$14,267,875, which may be reduced by a maximum of 15% overall to remain eligible for funding as approved.
- C) The minimum Total Construction Costs is \$9,920,625 and equals the total amount of the costs set forth in the budget submitted to the DIA. The minimum Total Construction Costs are further subject to each of the funding category minimums below:

DPRP Summary	TOTAL	CCR	HPRR
Exterior	\$ 2,928,530		\$ 1,491,398
Interior Restoration	\$ 137,500		\$ 103,125
Interior Rehabilitation	\$ 2,511,685		\$ 547,451
General Requirements	\$ 1,221,880		\$ 119,376
Code Compliance	\$ 3,111,130	\$ 2,303,348	
N/A	\$ 9,900		
Total:	\$ 9,920,625	\$ 2,303,348	\$ 2,261,349

- D) The minimum Total Construction Costs may be reduced by not more than 10% overall to remain eligible for funding as approved; however, such reduction requires pro rata reduction in the related DPRP Loans.
- E) Reduction of the Total Construction Costs within any funding category below the respective funding category minimum will require a pro rata reduction in the related DPRP Loans. Any reduction in the Total Construction Costs within any funding category below the respective funding category minimum of greater than 20% will require review and approval by DIA Staff to remain eligible for a DPRP Loan with respect to that funding category.
- F) Further, each funding category minimum as provided above also serves as the maximum dollar amount of expenditures that may be submitted for reimbursement, with respect to

each funding category. No funding category minimum may be increased above the amount shown for funding reimbursement purposes under DPRP.

Performance Schedule:

- A) Execution of the Redevelopment Agreement and filing for construction permits necessary to commence construction to occur within 90 days of Bill Effective Date.
- B) Commencement of Construction to occur within 30 days following receipt of all required approvals, permitting, and closing on all required financing to allow the start of construction activities and has actually broken ground to begin work, but not later than 6 months following the Effective Date of the Redevelopment Agreement.
- C) Substantial Completion to be achieved within twenty-four (24) months following Commencement of Construction as defined above.
- D) The DIA CEO will have authority to extend this Performance Schedule, in the CEO's discretion, for up to six (6) months for good cause shown by the Developer / Applicant. Any such extension to the Commencement Date will have the same effect on the Substantial Completion Date.

Additional Commitments:

- A) The Developer commits to the development of:
 - 1. A minimum of 30 dwelling units.
 - 2. A minimum of 5,500 square feet of gross commercial/retail space on the ground floor, including 3,200 sf of gross leasable space
 - 3. Recommendation as to the eligibility of the approved scope of work on the Properties by the Planning and Development Department shall be required prior to DIA Board approval. Such recommendation by the Planning and Development Department may be conditional on further review and approvals by the State Historic Preservation Office ("SHPO") and/or the National Park Service ("NPS").
- B) Upon completion and request for funding, all work on the Property must be inspected by the Planning and Development Department or designee for compliance with the approved COA and application prior to funding under any DPRP loan component.
- C) Funding under the DPRP will be secured by a subordinate lien position on the Property behind any senior secured, third-party lender providing construction, mini-perm, or permanent financing.
- D) Payment defaults, or other defaults that trigger legal actions against the Applicant that endanger the lien position of the City, shall also be a default on the subject facilities.
- E) The subject DPRP Loans shall cross-defaulted with the City REV Grant commitments on the New Construction phase of the development activity, to the extent commercially reasonable.
- F) As Axis 404 will be utilizing a combination of HPRR Forgivable Loans, and CCR Forgivable Loans, the maturity of each of these Forgivable Loans will be five (5) years. Principal outstanding under each note will be forgiven at the rate of 20% annually, on the anniversary date of each such funding, so long as each Forgivable Loan is not in default per DPRP Guidelines.

- G) Standard clawback provisions will apply such that:
- a) In the event the Borrower sells, leases or otherwise transfers the Historic Building during the first five (5) years after the disbursement of the Forgivable Loan, the following shall be due and payable at closing of the Sale:
 - i. 100% if the Sale occurs within 12 months after disbursement of the Forgivable Loan;
 - ii. 80% if the Sale occurs after 12 months but within 24 months of disbursement of the Forgivable Loan;
 - iii. 60% if the Sale occurs after 24 months but within 36 months of disbursement of the Forgivable Loan;
 - iv. 40% if the Sale occurs after 36 months but within 48 months of disbursement of the Forgivable Loan; or
 - v. 20% if the Sale occurs after 48 months but within 60 months of disbursement of the Forgivable Loan.
 - b) In the event Borrower or any lessee or assignee of the Borrower uses the Project or the Historic Property or Properties for any use not contemplated by this Agreement at any time within five years following the disbursement of the Forgivable Loan, the full amount of such Forgivable Loan, together with all accrued but unpaid interest thereon, shall immediately become due and payable to the City by the Borrower.
- H) Funding in the amount of the DPRP Deferred Principal Loan component will have a stated maturity date of ten years from the Funding Date. The loan balance is due in full upon maturity, sale, or refinancing of the property prior to maturity subject to terms of the disposition and value of the property at the time of such event.
- I) The DPRP Deferred Principal Loan component requires an annual interest payment equal to the total principal outstanding multiplied by the prevailing Ten-Year Treasury Note Rate at the time such rate was set.
- J) Partial Principal reductions on the DPRP Deferred Principal Loan may be made after the fifth anniversary with no prepayment penalty; however, a minimum of 50% of the initial loan balance must remain outstanding through the loan maturity date unless the Property or Properties are sold or refinanced during that period, subject to DIA approval.
- K) DIA reserves the right to approve any sale, disposition of collateral property, or refinance of senior debt during the DPRP Compliance Period.
- L) All Property, business, and income taxes must be current at the time of application and maintained in current status throughout the approval process, the term of the Redevelopment Agreement, and through the DPRP loan period.
- M) Payment defaults, bankruptcy filings, or other material defaults during the DPRP loan period will trigger the right for the City of Jacksonville to accelerate repayment of all amounts funded and outstanding under any or all programs at such time, plus a 20% penalty of any amounts amortized or prepaid prior to that date.
- N) The property shall be rehabilitated and constructed in a manner materially consistent with all plans and specs submitted to and approved by the DIA, along with DDRB conditions and approvals, and

conditions and approvals by other City, State, and National governmental departments and agencies.

There will be additional terms, conditions, rights, responsibilities, warranties, and obligations for both parties which shall be determined in a later negotiated mutually agreeable written contract (or multiple written contracts as deemed necessary).

TAB IV.A

**JUNE 21, 2022 DOWNTOWN INVESTMENT AUTHORITY BOARD MEETING
MINUTES**



Downtown Investment Authority
Hybrid Meeting
Tuesday, June 21, 2022 – 3:07 p.m.

Downtown Investment Authority
MEETING MINUTES

DIA Board Members (BM): Braxton Gillam, Esq., Chair; Jim Citrano, Secretary; Oliver Barakat; Todd Froats; Ron Moody; and David Ward, Esq.

DIA Board Members Excused: Carol Worsham, Vice Chair; Craig Gibbs, Esq.; and Stephanie Burch, Esq.

Mayor’s Staff: None

Council Members: None

DIA Staff: Lori Boyer, Chief Executive Officer; Steve Kelley, Director of Downtown Real Estate and Development; Guy Parola, Operations Manager; John Crescimbeni, Contract and Regulatory Compliance Manager (via Zoom); Wanda J. Crowley, Financial Analyst (via Zoom); and Xzavier Chisholm, Administrative Assistant

Office of General Counsel: John Sawyer, Esq.

CALL TO ORDER: Chairman Gillam called to order the Downtown Investment Authority Board Meeting at 3:07 p.m.

IV. DOWNTOWN INVESTMENT AUTHORITY MEETING

A. MAY 18, 2022 DOWNTOWN INVESTMENT AUTHORITY BOARD MEETING MINUTES

Chairman Gillam called for edits or corrections to the minutes by the Board.

Motion: BM Barakat moved to approve the minutes as presented

Seconded: BM Moody seconded the motion

Vote: Aye: 6 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 6-0-0

B. CONSENT AGENDA

i. RESOLUTION 2022-06-03: BICENTENNIAL EVENT CONTRIBUTION

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AUTHORIZING A THIRTY THOUSAND FIVE HUNDRED DOLLAR (\$30,500) CONTRIBUTION FROM THE EVENT CONTRIBUTION LINE ITEM WITHIN THE FY 21-22 ADMINISTRATIVE BUDGET TO JESSIE BALL DUPONT FUND FOR THE JACKSONVILLE BICENTENNIAL “JAXNEXT 100 PROPOSAL”; FUNDING TO BE IN ACCORDANCE WITH ATTACHMENT ‘A’ TO THIS RESOLUTION; INSTRUCTING ITS CHIEF EXECUTIVE OFFICER TO TAKE ALL NECESSARY ACTIONS TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

Recommended for approval by the Finance and Budget committee.

Chairman Gillam called for a voice vote on the consent agenda item.

Vote: Aye: 6 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 6-0-0.

C. RESOLUTION 2022-06-05: 600 PARK STREET ALLOCATION

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) ALLOCATING ONE HUNDRED FIFTY (150) HOTEL ROOMS AND TWO THOUSAND (2,000) SQUARE FEET OF RETAIL/RESTAURANT ENTITLEMENTS TO KELCO CL, LLC, OR AN AFFILIATED ENTITY (“DEVELOPER”) FOR USE ON CERTAIN PROPERTY IDENTIFIED BY DUVAL COUNTY TAX PARCEL NUMBERS 090395 0000 AND 090394 0000 (“PROPERTY”); AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO EXECUTE THE CONTRACTS AND DOCUMENTS AND OTHERWISE TAKE ALL NECESSARY ACTION IN CONNECTION THEREWITH TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING AN EFFECTIVE DATE.

Mr. Parola presented the resolution, stating that it proposes the allocation of 150 hotel rooms and 2,000 square feet of retail/restaurant entitlements to the developer.

Motion: BM Citrano moved to approve the resolution as presented

Seconded: BM Ward seconded the motion

Mr. Parola confirmed for BM Froats that there are 3,222 unallocated hotel room entitlements. BM Froats asked what happens when the amount of entitlements runs low or runs out. Mr. Parola responded that a conversion table is built into the comprehensive plan so that the unallocated retail/restaurant entitlements can be converted into hotel rooms if necessary.

BM Moody noted a scrivener’s error in the 3rd “Whereas” clause. It should read “exists” instead of “exits.”

Vote: Aye: 6 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 6-0-0

D. RESOLUTION 2022-06-06: 600 PARK STREET STORMWATER CREDIT PURCHASE

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) APPROVING THE SALE OF UP TO 1.35 CREDIT ACRES OF SURPLUS WATER QUALITY COMPENSATORY CREDITS TO KELCO CL, LLC OR AFFILIATED ENTITY (“DEVELOPER”) FOR USE ON CERTAIN PROPERTY IDENTIFIED BY DUVAL COUNTY TAX PARCELS 090395 0000 AND 090394 0000 (COLLECTIVELY THE “PROPERTY”); AUTHORIZING THE DIA CHIEF EXECUTIVE OFFICER TO EXECUTE ANY CONTRACTS AND DOCUMENTS AND OTHERWISE TAKE ALL NECESSARY ACTION IN CONNECTION THEREWITH TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

Mr. Parola presented the resolution, stating that it contemplates the sale of up to 1.35 credit acres of surplus water quality compensatory credits to the developer.

Motion: BM Citrano moved to approve the resolution as presented

Seconded: BM Ward seconded the motion

Vote: Aye: 6 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 6-0-0

E. RESOLUTION 2022-06-07: MARINA SLIPS ALLOCATION

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) ALLOCATING THREE (3) MARINA SLIPS TO THE PARKS, RECREATION AND COMMUNITY SERVICE DEPARTMENT ACTING ON BEHALF OF THE CITY OF JACKSONVILLE; AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO TAKE ALL NECESSARY ACTION IN CONNECTION THEREWITH TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING AN EFFECTIVE DATE.

Mr. Parola presented the resolution, stating that it contemplates the allocation of three marina slips to the Parks, Recreation, and Community Service Department.

Chairman Gillam asked if the new marina slips are associated with the Southbank riverwalk expansion in front of Baptist. Mr. Parola responded in the affirmative.

Motion: BM Moody moved to approve the resolution as presented

Seconded: BM Froats seconded the motion

Vote: Aye: 6 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 6-0-0

F. RESOLUTION 2022-06-08: RON MOODY RECOGNITION AND APPRECIATION

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) IN RECOGNITION AND APPRECIATION OF MR. RON MOODY FOR HIS DEDICATION AND SERVICE ON THE DIA BOARD; HIS DEDICATION AND SERVICE TO DOWNTOWN; PROVIDING FOR AN EFFECTIVE DATE.

CEO Boyer presented the resolution, stating that BM Moody has tendered his resignation effective as of July 1.

CEO Boyer and the committee gave farewell remarks in recognition and appreciation for BM Moody for his years of service to the DIA and to the downtown community.

Motion: BM Barakat moved to approve the resolution as presented

Seconded: BM Froats seconded the motion

Vote: Aye: 5 Nay: 0 Abstain: 1

THE MOTION PASSED UNANIMOUSLY 5-0-1 (Abstain: Moody)

V. OTHER MATTERS TO BE ADDED AT THE DISCRETION OF THE CHAIR

None.

VI. OLD BUSINESS

None.

VII. NEW BUSINESS

A. Reporting and Ethics Training

DIA’s Xzavier Chisholm provided a reminder to the board regarding reporting requirements and ethics training requirements.

OGC’s John Sawyer will confirm for the board if CLE credits can count toward the required 4 hours of ethics training.

VIII. CEO INFORMATIONAL BRIEFING

CEO Boyer provided the following update:

- The BID & CRA update legislation is going through the council committees this week.
- The legislation amending the Zoning Overlay is going through council committees this week.
- The self-storage legislation was re-referred to LUZ committee and received extensive discussion and public comment at the previous council meeting.
- MOSH is taking a fair amount of time as the cost disbursement agreement(s) are worked out.
- The annual budget process is underway with DIA's budgets going through MBRC on Friday.
- A meeting has been set with American Lions for further discussion on the Riverfront Plaza development pad.

IX. CHAIRMAN REPORT

None.

X. ADJOURN

ADJOURNMENT: There being no further business, Chairman Gillam adjourned the meeting at 3:32 p.m.

The written minutes for this meeting are only an overview of what was discussed. For verbatim comments of this meeting, a recording is available upon request. Please contact Xzavier Chisholm at xchisholm@coj.net to acquire a recording of the meeting.

TAB IV.C

RESOLUTION 2021-09-06: CRAIG GIBBS RECOGNITION RATIFICATION

RESOLUTION 2021-09-06

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) IN RECOGNITION AND APPRECIATION OF MR. CRAIG GIBBS, ESQ., FOR HIS LEADERSHIP AS CHAIRPERSON OF THE DIA DURING THE 2019-2020 TERM; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Mr. Gibbs, Esquire, was elected Chairperson of the Downtown Investment Authority in June of 2019 after serving the previous year as Vice Chair; and

WHEREAS, Mr. Gibbs, Esq. led the DIA with a calm demeanor and trusted directive during the onset of the COVID 19 pandemic, and through his leadership the DIA continued as a model for transparency and public accessibility; and

WHEREAS, as a Downtown business owner, attorney and Downtown expert, Mr. Gibbs was integral in guiding the development of the Northbank Downtown and Southside Community Redevelopment Area Plans and the Business Investment and Development Plans.

NOW THEREFORE, BE IT RESOLVED, by the Downtown Investment Authority:

Section 1. The Downtown Investment Authority recognizes the leadership of Mr. Craig Gibbs, Esq. during his tenure as Chairperson during the 2019-2020 term and extends its deep appreciation for his service to Downtown.

Section 2. This Resolution 2021-09-06 shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Witness

~~W. Braxton Gillam, Esq., Chairman~~
James Citrano, Jr., Secretary and
Acting Chairman

Date

VOTE: In Favor: _____ Opposed: _____ Abstained: _____

TAB IV.D

RESOLUTION 2022-07-03: RATIFICATION OF DISPOSITION POLICY CHANGES

RESOLUTION 2022-07-03

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY ACTING AS THE SOUTHSIDE AND COMBINED DOWNTOWN NORTHBANK COMMUNITY REDEVELOPMENT AGENCY BOARDS ADOPTING AN UPDATED POLICY REGARDING NOTICES OF DISPOSITION FOR PROPERTY WITHIN THE COMMUNITY REDEVELOPMENT AREA IN ACCORDANCE WITH FLORIDA STATUTE 163.380 AND CITY OF JACKSONVILLE ORDINANCES; PROVIDING AN EFFECTIVE DATE.

WHEREAS, in accordance with F.S.163.380 and applicable City of Jacksonville Ordinances, the DIA is required to provide public notice of intent to dispose of City-owned property and invite proposals from others for a minimum of 30 days prior to entering into a contract for sale or lease; and

WHEREAS, in order to eliminate confusion among those who may wish to lease or purchase property and to ensure compliance with statutory and ordinance requirements while providing process flexibility to the Board to respond to different types or categories of transactions, a Notice of Disposition Policy was established and adopted pursuant to Resolution 2019-09-02; and

WHEREAS, pursuant to recent Ordinance Code changes adopted in 2022-0372E, and statutory changes in requirement for publication of notices, an update to the adopted policy is necessary to conform to current regulations.

NOW THEREFORE, BE IT RESOLVED by the Downtown Investment Authority:

Section 1. The DIA hereby adopts the updated Property Disposition Policy attached hereto as **Exhibit 1** regarding sale, lease, and disposition of property within Downtown.

Section 2. This Resolution shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

~~W. Braxton Gillam IV, Esq., Chairman~~
James Citrano, Jr., Secretary, and
Acting Chairman

Date

VOTE: In Favor: _____ Opposed: _____ Abstained: _____

EXHIBIT 1
Notice of Disposition Policy
Downtown Investment Authority (DIA)
Community Redevelopment Areas

This Notice of Disposition Policy, as approved and established by the DIA Board on September 18, 2019, and amended by the DIA Board on July 20, 2022 to conform to Ordinance 2022-372-E enacted on June 28, 2022 shall be used by the Downtown Investment Authority in selecting the disposition process to be followed and the applicable procedures for each type of process regarding the purchase or lease of City-owned property.

1. Statutory notice requirement applicable to all dispositions to any private person or entity of City-owned property held for community redevelopment within a community redevelopment area:
 - Public notice of intended disposition must be published in a newspaper of general circulation at least 30 days prior to execution of any contract or as otherwise required by applicable state law
 - Notice must invite proposals by interested parties within 30 days after date of publication
 - Notice must identify parcel or parcels
 - Notice must advise that such further information as is available can be obtained at a designated office
 - If less than fair value, shall require approval of City Council
2. Ordinance requirements:
 - City Council approval is required if:
 - The sales price is *equal to or exceeds* the fair market value as determined by an appraiser selected by DIA (“appraised value”) of the property and the sales price is greater than \$750,000.
 - City Council approval is also required if:
 - The sales price is *less* than the appraised value and any of the following is true:
 - the appraised value *exceeds* \$250,000; or
 - the Return on Investment to the City is less than 1:1 (per the Council Auditor); or
 - the “sales price,” pursuant to Sec. 163.380(2), Fla. Stat. is less than the fair value.
 - No City Council Approval Required if:
 - The sales price is equal to or greater than the appraised value and the sales price is not greater than \$750,000.
 - The sales price is less than the appraised value, but the following are true:

- the appraised value does not exceed \$250,000
- the Return on Investment to the City is equal to or greater than 1:1; and
- the “sales price,” pursuant to Sec. 163.380(2), Fla. Stat. is equal to or greater than the fair value.
- If the Property Appraiser’s Office market value is equal to or less than \$25,000, irrespective of the sales price.

3. **Formal, Informal, and Negotiated Disposition processes.** The DIA Board may utilize a Formal, Informal or Negotiated Disposition process, as outlined below, each of which is consistent with statutory requirements above, but which may be appropriate in differing circumstances. The type of process selected does not impact whether City Council approval is required of the ultimate disposition, which is governed by Section 2 above.

Applicability:

- **Informal:** In general, an Informal Disposition Process shall be followed in cases where the proposed purchase price exceeds fair value and is less than \$25,000 (City Council approval not required).
 - The CEO of the Downtown Investment Authority shall be authorized to initiate an Informal Disposition Process for transactions meeting the criteria above, and determined by the CEO to be consistent with the applicable CRA and BID plan and in the best interest of the CRA. The DIA Board shall approve the disposition prior to execution of any contract but Board approval shall not be required prior to initiation of the notice process.
 - An Informal Disposition Process may also be utilized in other circumstances deemed appropriate by the Board, but such process shall be initiated by Board action and City Council approval of the disposition may be required.
- **Formal:** In general, a Formal Disposition Process will be followed in cases where there are expected to be multiple bidders, where the purchase price is substantially less than fair value, where the use of the particular property is not narrowly defined in the CRA Plan and consistency with the plan requires more extensive evaluation, or where the DIA was not actively pursuing disposition of the property. The determination of which disposition process to follow in any circumstance shall remain in the discretion of the DIA Board, however the CEO shall recommend to the Board that a Formal Disposition Process shall be followed when staff deems appropriate.
- **Negotiated:** In general, a Negotiated Disposition process shall be followed in circumstances where staff has negotiated the terms of a disposition with a private party, and has determined that disposition in accordance with the term sheet is consistent with the applicable CRA plan and BID plan and is in the best interest of the CRA. The conceptual term sheet shall be presented to the DIA Board for consideration prior to any publication of the notice of

disposition and the proposed disposition shall be issued based on the Board's intention to accept the term sheet in concept. Final Board approval of the term sheet may follow the close of the disposition process. The DIA Board shall have the discretion to utilize either an Informal or Formal Disposition Process, in lieu of a Negotiated Disposition process, as it may deem appropriate.

Informal Disposition Process

Informal Notice of Disposition

- a. For proposals to purchase City-owned property with a market value established by the Property Appraiser of \$25,000 or less, following a determination by staff of the DIA that the disposition is consistent with the CRA Plan and in the best interest of the CRA, the CEO may initiate an Informal Notice of Disposition Process.
- b. A Notice of Disposition shall be published in a newspaper of general circulation, or on a website meeting state requirements, identifying the subject parcel, advising that further information can be obtained from the DIA Office or Office of Procurement, as determined by the CEO, and inviting other proposals within 30 days from the date of publication.
- c. In the event other proposals are received, such proposals shall be evaluated by DIA staff regarding consistency with the CRA and BID plan, the financial and legal ability of the respondents to carry out the proposal, the purchase price and return on investment to the City, and the timeframe for commencement of improvements, if any.
- d. At the next regularly scheduled Board meeting following close of the notice period and evaluation of responses by staff, a term sheet regarding the disposition recommended by staff shall be presented to the Board for consideration.
- e. An Informal Disposition Process may also be selected by the Board in other circumstances where the purchase price exceeds \$25,000 or is less than fair value. In such case, the process shall be selected by vote of the Board at a regularly scheduled meeting. The Board shall include in its election, any criteria it may wish to include for use of the property or evaluation by staff. The 30-day notice shall be published as above, evaluated by staff, and a recommendation presented to the Board at the next regularly scheduled meeting following close of the notice period and completion of staff evaluation of responses received.
- f. When the Informal Disposition process is used, no formal procurement process shall be opened, no scoring committee shall be appointed, and no points shall be assigned to specific criteria. Responses received, if any, shall be reviewed by DIA staff and a recommendation made to the Board to proceed with a particular

disposition or reject all responses or enter into a formal disposition process in accordance with the Formal Disposition process.

Negotiated Disposition Process

Negotiated Notice of Disposition. This process shall begin when a term sheet for disposition of City-owned property that has been negotiated by staff is presented to the Board for consideration and the Board votes to proceed with the disposition upon specified terms with a particular purchaser. The Board may then elect to follow an Informal, Formal, or Negotiated process. If a negotiated process is chosen the following shall be applicable:

- a. A Notice of Disposition shall be published in a newspaper of general circulation or on a website meeting state requirements identifying the subject parcel, advising that further information can be obtained from the DIA Office or Office of Procurement, as determined by the CEO, and inviting other proposals within 30 days from the date of publication.
- b. The Notice of Disposition shall contain the terms of the term sheet tentatively approved by the Board, and any respondent shall be asked to address, at a minimum, each term of the adopted term sheet which has been determined by the Board to be consistent with the adopted CRA and BID Plan, the financial and legal ability of the respondents to carry out the proposal, the purchase price and return on investment to the City, and the timeframe for commencement of improvements, if any.
- c. Upon close of the 30 day notice period, responses received, if any, shall be reviewed by staff for completeness and any complete responses shall be forwarded to the members of the Retail Enhancement and Property Disposition Committee for evaluation and consideration in comparison to the tentatively adopted proposal recommended by staff. The Retail Enhancement and Property Disposition Committee shall meet and make a recommendation to the Board as soon as practicable.
- d. At the next Board meeting following recommendation by the Retail Enhancement and Property Disposition Committee, the Board shall decide whether to proceed with the original disposition, whether to accept a different proposal, whether to reject all offers, or whether to enter into a Formal Disposition process.

Formal Disposition Process

Step 1: DIA Staff Develops the Notice of Disposition

Step 2: DIA Board Approves Notice of Disposition

Step 3: Notice of Disposition Released through procurement

Step 4: Last day to submit Notice of Disposition questions

Step 5: City responses to Notice of Disposition questions

Step 6: Notice of Disposition Responses received

Step 7: Notice of Disposition Responses evaluated

Step 8: Award Meeting

Step 9: Begin negotiations with top selected respondent

A. Public Notice Solicitation Components. The Board shall approve the following components of the “Public Notice Soliciting Proposals” for the Property (collectively, the “Solicitation Components”):

1. Background Information;
2. Scope of Proposal;
3. Evaluation Criteria and Scoring Allocation among Criteria including whether a public presentation will be made to the Evaluation committee and how such presentation will be scored; and
4. Length of RFP advertisement (no less than 30 days per Chapter 163, Florida Statutes).

The DIA Chief Executive Officer shall have the authority to make technical amendments to the Solicitation Components after Board approval for the purposes of correcting legal descriptions, clerical errors, adding standard general instructions, and making other non-material changes as may be needed to further clarify the Board’s intent (the “Solicitation”).

B. Appointment of Evaluation Committee. The DIA Chairman shall at a duly noticed Board Meeting appoint a scoring committee, which shall generally include DIA and City staff along with one or more Board members (the “Evaluation Committee”), which committee members shall be tasked with independently reviewing and scoring responses to the Notice of Disposition. Procurement will tabulate the scores and ranks the respondents based on those scores. The Retail Enhancement and Property Disposition Committee after reviewing the scores and ranking, shall make a recommendation to the Board regarding the most responsive bidder/project. If no responsive bidder/project in the committee’s determination exists, the committee may recommend to the Board that the Notice of Disposition be revised and re-advertised as needed in the best interest of the DIA and the City.

C. Public Notice Procedures for Formal Notices of Disposition. In the absence of unique circumstances, the following procedures for the Formal Notice of Disposition shall be generally be followed by the DIA staff in the order provided below:

1. DIA staff develops and recommends to the Board for approval at a scheduled board meeting the Notice of Disposition Components;
2. The Board approves the Notice of Disposition Components subject to any modifications made by the Board, and any additional items pursuant to the Chief Executive Officer's authority, and the Chairman appoints an Evaluation Committee;
3. The DIA staff works with the City's Procurement Division to advertise the Notice of Disposition for such period as determined by Board;
4. The Evaluation Committee shall review and evaluate the responses to the Notice of Disposition based on the evaluation criteria set forth in the Notice of Disposition. The tabulated scores shall be presented to The Retail Enhancement and Property Disposition Committee who shall make a recommendation to the Board. If no responsive bidder/project in the committee's determination exists, the committee may recommend to the Board that the Notice of Disposition be revised and re-advertised as needed in the best interest of the City;
5. The Evaluation Committee's scoring shall be presented to the Retail Enhancement and Property Disposition Committee ("REPDC") for consideration and the REPDC shall make a recommendation to the Board. The recommendation of the REPDC shall be presented to the Board at a scheduled board meeting for the Board's approval;
6. Upon Board approval of the Retail Enhancement and Property Disposition Committee's recommendation, or modification of the same, the Board shall approve and authorize the Chief Executive Officer to commence negotiations with the winning bidder;
7. The Chief Executive Officer shall present to the Board a negotiated term sheet for the Project ("Project Term Sheet") to be approved by the Board subject to any Board modifications; and
8. Once the Project Term Sheet has been approved by the Board, the Office of General Counsel shall draft a contract regarding the same and, where required by City Ordinance Code, seek approval from the Mayor's Budget Review Committee to file legislation to be approved by City Council regarding the same.

(Ord. 2018-871-E , § 2; Ord. 2022-372-E , § 9)

Note— See editor's note, Subpart B.

SUBPART C. - COMMUNITY REDEVELOPMENT REAL PROPERTY DISPOSITIONS [4]

Footnotes:

--- (4) ---

Editor's note— Ord. 2007-1267-E, § 1, amended the Code by repealing former Subpart C, and adding a new Subpart C. Former Subpart C pertained to similar subject matter, and derived from Ord. 78-231-113 and Ord. 83-591-400.

Sec. 122.431. - Applicability.

The procedures of this Subpart shall be applicable to the sale, lease, or other disposition of real property or any interest therein acquired by the City or Community Redevelopment Agency for community redevelopment purposes in a community redevelopment area under Florida Statutes Chapter 163, Part III. For the purposes of this Subpart, the terms "DIA" or "Community Redevelopment Agency" shall be defined to mean the DIA acting as the Community Redevelopment Agency.

(Ord. 2007-1267-E, § 1; Ord. 2012-364-E, § 10)

Sec. 122.432. - Appraisal of property.

(a) Prior to the disposition of any property, an appraisal shall be obtained. The appraisal shall be obtained from a properly qualified real estate appraiser, holding a professional designation of MAI, SRA or SREA, and doing business in the City, and shall consider the factors set forth in Florida Statutes Chapter 163, Part III.

(b) An additional appraisal may be conducted if provided for by any statute, ordinance, agreement, or rule, or if determined to be advantageous to the City in the opinion of the Executive Director of the DIA.

(Ord. 2007-1267-E, § 1; Ord. 2012-364-E, § 10)

Sec. 122.433. - Authorization.

The community redevelopment agency may sell, lease, dispose of, or otherwise transfer real property or any interest therein acquired by it for community redevelopment in a community redevelopment area to any private person, or may retain such property for public use, and may enter into contracts with respect thereto for residential, recreational, commercial, industrial, educational, or other uses, in accordance with the community redevelopment plan, subject to such covenants, conditions, and restrictions, including covenants running with the land, as it deems necessary or

desirable to assist in preventing the development or spread of future slums or blighted areas or to otherwise carry out the purposes of Florida Statutes Chapter 163, Part III. The community redevelopment agency may utilize the procedures as set forth herein or may utilize an alternative competitive procedure in accordance with the City of Jacksonville Ordinance Code. If an alternative method pursuant to the Ordinance Code is utilized, the community redevelopment agency must assure that said procedure complies with the statutory requirements for property disposition contained in Florida Statutes.

(Ord. 2007-1267-E, § 1)

Sec. 122.434. - Procedure for disposition of Community Development Property.

- (a) No real property held or owned by the City, or the DIA acting as the Community Redevelopment Agency for community redevelopment in a community redevelopment area may be disposed of prior to advertising for other proposals, in accordance with Florida Statutes Section 163.380. Notice shall also be given to the City Council in accordance with Section 122.422(d), Ordinance Code. No contract for sale, lease or other disposition shall be executed until at least 30 days after the date of the advertisement.
- (b) The advertisement for proposals shall request any other persons or entities interested in the property to submit a proposal and shall identify the area or property to be redeveloped. The advertisement shall provide a period of at least 30 days in which to submit a proposal. The proposal shall contain details of the proposed use of the property, and shall contain information on the financial and legal ability of the persons making said proposal to carry them out, and such additional information as may be applicable in the circumstances as determined by the Executive Director of the DIA.
- (c) The DIA shall consider all such redevelopment or rehabilitation proposals and the financial and legal ability of the persons making such proposals to carry them out; and may negotiate with any persons for proposals for the purchase, lease, or other transfer of any real property acquired by it in the community redevelopment area. The DIA staff may provide review services, or the DIA may select other appropriate persons to assist with the review and evaluation process, for recommendation to the DIA. The DIA may accept such proposal as it deems to be in the public interest and in furtherance of the purposes of this Part.

- (d) A notification of intention to accept a proposal for redevelopment or rehabilitation must be filed with the City Council of the City of Jacksonville not less than 30 days prior to any such acceptance, in accordance with Florida Statutes Section 163.380. Thereafter, the DIA, acting as the community redevelopment agency, and the Mayor, may execute such contracts, and the Mayor may execute and deliver deeds, leases, and other instruments and take all steps necessary to effectuate such contracts; provided however, that where the sales price of the property to be disposed equals or exceeds the appraised value of the property and is greater than \$750,000, then Council approval of the sales contract must be obtained by ordinance prior to execution of the documents by the Mayor and DIA.
- (e) Consistent with the notice and execution requirements set forth in subsection (d) above, the DIA is authorized to dispose of property for a sales price less than the appraised value, provided:
- (1) the appraised value of the property does not exceed \$250,000;
 - (2) the return on investment to the City is greater than or equal to 1, as verified by the Council Auditor's Office, with ROI calculations for property dispositions that include other incentives calculated over a maximum of twenty (20) years or the life of the incentive, whichever is greater and with stand-alone property dispositions calculated over a maximum of twenty (20) years, with any disposition having an ROI of less than 1 as determined by the Council Auditors Office requiring City Council approval; and
 - (3) the "sales price" of the property pursuant to Section 163.380(2), Florida Statutes, is equal to or greater than the fair value.
- (f) For property having a Property Appraiser's Office market value of \$25,000 or less, the DIA and Mayor, consistent with this subsection, may sell such properties irrespective of sales price.
- (g) The purchasers or lessees and their successors and assigns shall be obligated to devote the use of such real property only to the uses specified in the community redevelopment plan and may be obligated to comply with such other requirements as the City or the DIA may determine to be in the public interest, including the obligation to begin any improvements on such real property required by the community redevelopment plan within a reasonable time.

- (h) The disposal of property in a community redevelopment area which is acquired by eminent domain is subject to the limitations set forth in Florida Statute Section 73.013.
- (i) The DIA may provide in any instrument of conveyance to a private purchaser or lessee that such purchaser or lessee is without power to sell, lease, or otherwise transfer the real property without the prior written consent of the DIA until the purchaser or lessee has completed the construction of any or all improvements which it has obligated itself to construct thereon.
- (j) Real property acquired by the City and the DIA is to be transferred as rapidly as feasible in the public interest, consistent with the provisions of the community redevelopment plan.
- (k) Any contract for such transfer and the community redevelopment plan, or such part or parts of such contract or plan as the DIA may determine, may be recorded in the land records of the clerk of the circuit court in such manner as to afford actual or constructive notice thereof.
- (l) Subject to the provisions of duly enacted ordinances or otherwise directed by Council, all proceeds from the sale or disposition of public property designated in the Business Investment and Development Plan set forth in Section 55.306(d) pursuant to this subpart that occur within Downtown, less all costs associated with such sale or disposition, shall be deposited in the Redevelopment Special Revenue Fund of the Downtown Investment Authority, as created in Section 111.640, Ordinance Code, and shall be expended specifically for the purposes as set forth in such Section.
(Ord. 2007-1267-E, § 1; Ord. 2012-364-E, §§ 4, 10)

TAB IV.E

RESOLUTION 2022-07-04: UNSOLICITED PROPOSAL POLICY CHANGES

RESOLUTION 2022-07-04

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY ACTING AS THE SOUTHSIDE AND COMBINED DOWNTOWN NORTHBANK COMMUNITY REDEVELOPMENT AGENCY BOARDS ADOPTING AN UPDATED POLICY REGARDING UNSOLICITED PROPOSALS FOR DISPOSITION OF PROPERTY WITHIN THE COMMUNITY REDEVELOPMENT AREA IN ACCORDANCE WITH FLORIDA STATUTE 163.380 AND CITY OF JACKSONVILLE ORDINANCES; PROVIDING AN EFFECTIVE DATE.

WHEREAS, in accordance with F.S.163.380 and applicable City of Jacksonville Ordinances, the DIA is required to provide public notice of intent to dispose of City-owned property and invite proposals from others for a minimum of 30 days prior to entering into a contract for sale or lease; and

WHEREAS, in order to eliminate confusion among those who may wish to provide an unsolicited offer to lease or purchase property, and to ensure compliance with statutory and ordinance requirements, An Unsolicited Proposal Policy was established and adopted pursuant to Resolution 2019-09-01; and

WHEREAS, pursuant to recent Ordinance Code changes adopted in 2022-0372E, and statutory changes in requirement for publication of notices, an update to the adopted policy is necessary to conform to current regulations.

NOW THEREFORE, BE IT RESOLVED by the Downtown Investment Authority:

Section 1. The DIA hereby adopts the updated Unsolicited Proposal Policy attached hereto as **Exhibit 1** regarding unsolicited proposals for the sale, lease, and disposition of City-owned property within Downtown for non-public use.

Section 2. This Resolution shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

James Citrano, Jr., Secretary, and
Acting Chairman

Date

VOTE: In Favor: _____ Opposed: _____ Abstained: _____

EXHIBIT 1
Unsolicited Proposal Policy
Downtown Investment Authority (DIA)
Community Redevelopment Areas

This Unsolicited Proposal Policy, as approved and established by the DIA Board on September 18, 2019, and amended by the DIA Board on July 20, 2022 to conform to Ordinance 2022-372-E enacted on June 28, 2022 shall be used by the Downtown Investment Authority in reviewing and responding to unsolicited proposals regarding the purchase, lease or development of City-owned property for non-public use. (Unsolicited proposals **for public use** fall under FS 255.065 and policies adopted thereunder)

Applicability: An unsolicited offer is one that is submitted to DIA by a third party without prior negotiation and support of DIA staff. This policy shall not apply to dispositions initiated by DIA pursuant to negotiation with a particular purchaser. All dispositions shall comply with the Property Disposition Policy, as required by Florida Statutes as well as Sec. 122.434, Ordinance Code, as provided below:

1. Statutory notice requirement applicable to all dispositions to any private person or entity of City-owned property held for community redevelopment within a community redevelopment area:
 - Public notice of intended disposition must be published in a newspaper of general circulation at least 30 days prior to execution of any contract or as otherwise required by applicable state law
 - Notice must invite proposals by interested parties within 30 days after date of publication
 - Notice must identify parcel or parcels
 - Notice must advise that such further information as is available can be obtained at a designated office
 - If less than fair value, shall require approval of City Council
2. Ordinance requirements:
 - City Council approval is required if:
 - The sales price is *equal to or exceeds* the fair market value as determined by an appraiser selected by DIA (“appraised value”) of the property and the sales price is greater than \$750,000.
 - City Council approval is also required if:
 - The sales price is *less* than the appraised value and any of the following is true:
 - the appraised value *exceeds* \$250,000; or
 - the Return on Investment to the City is less than 1:1 (per the Council Auditor); or
 - the “sales price,” pursuant to Sec. 163.380(2), Fla. Stat. is less than the fair value.
 - No City Council Approval Required if:

- The sales price is equal to or greater than the appraised value and the sales price is not greater than \$750,000.
- The sales price is less than the appraised value, but the following are true:
 - the appraised value does not exceed \$250,000
 - the Return on Investment to the City is equal to or greater than 1:1; and
 - the “sales price,” pursuant to Sec. 163.380(2), Fla. Stat. is equal to or greater than the fair value.
- If the Property Appraiser’s Office market value is equal to or less than \$25,000, irrespective of the sales price.

A. Offers for property with a market value equal to or less than \$25,000.

For proposals to purchase or lease property with a Property Appraiser’s Office market value of less than \$25,000, the proposer may submit a letter of interest identifying the parcel, the purchase price offered, and the intended use of the parcel.

- a. If the DIA staff determines the sale or lease of the property and its intended use is consistent with the BID and CRA plan and applicable neighborhood plan, and is in the best interest of the CRA, the staff shall negotiate with the applicant and present a term sheet to the Board for consideration as soon as reasonable practicable.
- b. If the staff determines that the offer is not in the best interest of the CRA, they shall advise the board accordingly and recommend rejection of the offer.
- c. If the Board elects to move forward with sale, the informal notice of disposition procedure below shall be followed.

B. Offers for properties with market value greater than \$25,000

1. Minimum Content of Submittal required for Consideration.

- a. A letter of interest indicating the developer’s interest and commitment to develop the parcel
- b. The developer shall submit a written detailed description of the proposed development including the types of uses, square footage of each use, and the development objectives
- c. Offer price, including any contingencies as well as the current assessed or appraised value of the property
- d. Long term benefits to the public that will be achieved if property is transferred
- e. Compatibility with the BID and applicable CRA and neighborhood plans
- f. Any restrictions, covenants, conditions, obligations assumed by purchaser and/or DIA
- g. How it achieves the objective for the prevention of the recurrence of slum or blight

- h. Evidence of financial and legal ability to carry out proposals. Developers shall submit a financial plan for the proposal including acquisition costs; site development and building construction costs; professional fees; sources and amounts of equity, construction and permanent financing; indication of tenancy interest or commitments; and other sources of operating income as well as any incentives or improvements to be provided by the City/DIA. Developers should submit any additional information or financial data which would assist in evaluating the financial viability of the proposal (i.e., tax revenues or other income generations) and anticipated ROI. The plan should also indicate projected employment levels and construction timetable (from start to completion). A marketing plan may be required.
- i. The developer shall submit a statement of qualifications of the development team including resumes of key individuals and examples of previous development work. Qualifications of the project architect should also be submitted with examples of previous work. Please indicate whether the development team has worked together on past projects. The developer should also provide a recent certified financial statement or other satisfactory evidence of financial capacity to perform.
- j. The developer shall submit drawings illustrating the design character of the development. The submission shall include, at a minimum, a site plan indicating site location, building location, parking plan, landscaping and other uses; building elevations and floor plans and an architectural rendering of the development may be required by the staff of DIA if deemed necessary for evaluation of consistency of the proposed development.
- k. Any necessary zoning or land use changes
- l. Developer shall provide an appraisal of the property which is the subject of the offer, prepared within the preceding 90 days by a licensed Florida Appraiser. Alternatively, the developer may agree in writing to reimburse DIA for the cost of an appraisal to be secured by DIA.

2. Process to be followed by DIA staff

- a. Staff shall conduct a preliminary sufficiency review within 30 days of receipt. Staff shall have the authority to reject any proposal
 - i. That does not meet the minimum content criteria above,
 - ii. That impacts a parcel that is land banked for future use or is scheduled for an RFP, RFQ or other formal disposition/development process
 - iii. In the sole discretion of the CEO, is not in the best interest of the CRA
 - iv. At the next regularly scheduled Board meeting, the CEO shall include in his or her report, a summary of all proposals rejected pursuant to this section.

- b. If the proposal is deemed sufficient and proceeds to staff review, the applicant shall be required to submit an application review fee of One Thousand and No/100 dollars (\$1000.00) and if no appraisal was provided by developer at the time of submittal, sufficient additional funds as may be required to cover the cost of the appraisal to be obtained by DIA for the property.
- c. The DIA staff shall proceed to evaluate any proposal deemed sufficient on the following criteria:
 - i. Conformance of development proposal with CRA plans, policies and objectives.
 - ii. The qualifications and experience of the developer and project team/consultants.
 - iii. Project economics – Economic feasibility of the project, revenue generation/job creation and other economic impacts.
 - iv. The overall quality of the design concept.
 - v. The financial offer and other income generated to the City.
 - vi. The overall development and construction schedule.
 - vii. Adequacy of promotion, marketing, and management plans, as applicable.
- d. This review shall be completed as soon as reasonably practicable but no less than 120 days from receipt and the recommendation of staff shall be presented to the next Retail Enhancement and Property Disposition Committee meeting or regularly scheduled Board meeting

3. Process to be followed by Board of DIA

If based on evaluation, the Retail Enhancement and Property Disposition Committee recommends consideration by the Board, the Board shall make a decision to

- a. Reject the offer
- b. Negotiate with this applicant (and go to required 30-day notice period once contract terms have been agreed upon) OR
- c. Open to notice of disposition- select process to be followed

4. Negotiation with applicant

- a. If the Board elects to proceed with negotiation with the applicant prior to issuance of a notice of disposition, the CEO shall be authorized to enter into negotiations to refine the terms of the offer and arrive at a best and final term sheet prior to the next Board meeting. Such term sheet shall be presented to the Board at its next meeting and if approved, will form the basis for the notice of disposition.

5. Formal Notice of Disposition

- a. If the Board elects to open the process to a Formal Notice of Disposition prior to negotiation, the adopted Notice of Disposition policy for Formal Disposition shall apply.
- b. Within the 30 days following such Board meeting, the Retail Enhancement and Property Disposition Committee shall meet and establish the scope of the disposition to be issued, the evaluation criteria to be considered and the points to be assigned to each and such other

information as required in the Notice of Disposition policy. The Committee recommendation shall be presented for consideration and adoption by the Board at its next regularly scheduled meeting.

6. Informal Notice of Disposition

- a. For proposals to purchase City-owned property at or in excess of fair with a Property Appraiser's Office market value and for less than \$25,000, following a determination by staff of the DIA that the disposition is consistent with the CRA Plan and in the best interest of the CRA, the CEO may initiate an Informal Notice of Disposition Process. An Informal Disposition Process may also be utilized in other circumstances deemed appropriate by the Board, but such process shall be initiated by Board action and City Council approval of the disposition may be required.

DRAFT