



**Downtown Investment Authority
Retail Enhancement and Property Disposition Committee**

**Hybrid Virtual In-Person Meeting
Wednesday, July 10th, 2022 at 1:30 p.m.**

RE&PD AGENDA

Oliver Barakat, Chair

David Ward, Esq., Committee Member

Todd Froats, Committee Member

Carol Worsham, Ex Officio

Committee Members Excused: Jim Citrano

- I. CALL TO ORDER
- II. PUBLIC COMMENTS
- III. JUNE 15, 2022 RETAIL ENHANCEMENT AND PROPERTY DISPOSITION COMMITTEE MEETING MINUTES APPROVAL
- IV. RESOLUTION 2022-08-01: 113 E BAY ST SIDEWALK ENHANCEMENT GRANT
- V. RESOLUTION 2022-08-02: AMERICAN LIONS EXTENSION
- VI. RESOLUTION 2022-08-03: MOSH DISPOSITION
- VII. OTHER MATTERS TO BE ADDED AT THE DISCRETION OF THE CHAIR
- VIII. OLD BUSINESS
- IX. NEW BUSINESS
- X. ADJOURN

PHYSICAL LOCATION

City Hall at St. James

117 West Duval Street

First Floor, Lynwood Roberts Room

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.



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Retail Enhancement and Property Disposition Committee**

**Hybrid Virtual In-Person Meeting
Wednesday, July 10th, 2022 at 1:30 p.m.**

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://us02web.zoom.us/j/82534306765?pwd=MDdaN2xpTTFzZ3gxUmNRQTM3Mm1GZz09>

Meeting ID: 825 3430 6765

Passcode: 186971

One tap mobile

+1 (312) 626-6799 (Chicago)

+1 (646) 558-8656 (New York)

Find your local number: <https://us02web.zoom.us/j/82534306765?pwd=MDdaN2xpTTFzZ3gxUmNRQTM3Mm1GZz09>

TAB III

**JUNE 15, 2022 RETAIL ENHANCEMENT & PROPERTY
DISPOSITION COMMITTEE MEETING MINUTES**



Downtown Investment Authority
Retail Enhancement and Property Disposition Committee Hybrid Meeting
Wednesday, June 15, 2022 – 2:00 p.m.

RE&PD Committee Hybrid Meeting
Draft - MEETING MINUTES

Retail Enhancement and Property Disposition Committee Members (CMs) in Attendance:

Oliver Barakat, Chair
David Ward, Esq.

Jim Citrano (late arrival)

Committee Members Excused: Carol Worsham and Todd Froats

Board Members in Attendance: Stephanie Burch (via Zoom)

DIA Staff Present: Lori Boyer, Chief Executive Officer (via Zoom); Steve Kelley, Director of Downtown Real Estate and Development; Ina Mezini, Marketing and Communications Specialist (via Zoom); Xzavier Chisholm, Administrative Assistant; Antonio Posey, Project Manager; and John Crescimbeni, Contract and Regulatory Compliance Manager (via Zoom).

Office of General Counsel: Joelle Dillard, Esq.

I. CALL TO ORDER

The Retail Enhancement and Property Disposition Committee meeting of June 15th, 2022, was called to order at 2:14 p.m. by Chairman Barakat.

II. PUBLIC COMMENTS

Chairman Barakat 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:

Clifford Miller Urged the City to focus on restoring and maintaining existing structures before diverting resources to newer, low-quality developments.

Chairman Barakat requested that CEO Boyer provide an update on the JTA Ultimate Urban Circulator (U2C) project at a later date.

III. SNYDER UNSOLICITED PROPOSAL

DIA's Steve Kelley presented the unsolicited proposal received from Life Church for the acquisition of the Snyder Memorial Church building located at 226 N Laura Street. The unsolicited proposal is respectfully rejected by DIA staff as authorized by the Unsolicited Proposal Policy with

no further consideration or vote by the Committee required. The proposal is rejected for the reasons laid out in the Unsolicited Property Disposition Request Summary provided to the committee and made available to the public. The DIA anticipates publishing a Notice of Disposition following a formal process with an RFP, hopefully within the next two quarters.

Mr. Kelley responding to a question from BM Ward, stated that the property is currently owned by the City.

Mr. Kelley responding to a question from Chairman Barakat, commented that the building has ongoing maintenance requirements and it has been a challenge to keep the building secure. CEO Boyer added that there is CIP funded work being performed to preserve the integrity of the building as a historical structure (e.g., fire and life safety improvements such as the sprinkler system and asbestos removal).

Chairman Barakat asked if anyone from Life Church is present. No one from Life Church was present.

Responding to a question from Chairman Barakat, Mr. Kelley stated that there is a running list of interested parties of the property.

CM Citrano arrived at 2:25 p.m.

IV. MAY 16, 2022 RETAIL ENHANCEMENT AND PROPERTY DISPOSITION COMMITTEE MEETING MINUTES APPROVAL

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

Motion: CM Ward moved to approve the minutes as presented

Seconded: CM Citrano seconded the motion

Vote: Aye: 3 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 3-0-0.

V. RESOLUTION 2022-06-04: SHIPYARDS 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, stating that it requests authorization for publication of a 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. If the board approves the NOD, it would be published following the June board meeting. Once the NOD closes and depending on if other responses are received, DIA staff would then present a term sheet to the board for their consideration.

BM Citrano asked if staff anticipate additional incentive requests. CEO Boyer responded that the simple answer yes, but they already have a REV Grant in the current Redevelopment Agreement (RDA). Adding that, it is likely there will be a separation of the two REV grants, each one will be independent in relation to the value of the construction and the value of the project. There has also been discussion of increase construction costs so it is likely there will be a request for an increased cap.

Chairman Barakat asked why is the developer asking for a conversion from lease to fee simple purchase. CEO Boyer responded that she believes it is in part due to the financing structure. Cyndy Trimmer, representing the developer, stated that as the final financing structure is being established and discussion is occurring with potential tenants there has been interest in some condominium type ownership, as well as concerns regarding the ground lease. The fee simple ownership will assist the developer in garnering further investment in downtown and getting everything together more efficiently and effectively.

Following discussion of what the minimum requirements should be for item four on Exhibit C, **Chairman Barakat proposed removing “office” from the language and changing 157,027 to “150,000 gross square feet or greater.”**

Motion: CM Citrano moved to approve Resolution 2022-06-04 with the changes proposed by Chairman Barakat.

Seconded: CM Ward seconded the motion

Vote: Aye: 3 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 3-0-0.

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

None.

VII. OLD BUSINESS

CEO Boyer reminded the committee members that the legislation for the BID and CRA update will be coming before City Council in the coming weeks and any support provided would be appreciated.

VIII. NEW BUSINESS

None.

IX. ADJOURNMENT

Seeing no further matters for discussion, Chairman Barakat adjourned the meeting at 2:49 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

RESOLUTION 2022-08-01: 113 E BAY ST SIDEWALK ENHANCEMENT GRANT

RESOLUTION 2022-08-01

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 THE FUN DEPARTMENT LLC. (“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 further 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 allowing for more outdoor seating for the establishment, and more sidewalk activation., DIA staff recommends that the DIA approve a Sidewalk Enhancement Forgivable Loan in the amount not to exceed \$4,300.00 (Four Thousand Three 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 \$4,300.00 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 \$4,300.00, and
- b) Evidence that the lease for the subject property and operation of the subject business has been renewed for a period of not less than three years.
- 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 ***

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Witness

Carol Worsham, Chair

Date

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

SUPPLEMENTAL INFORMATION

**DIA Sidewalk Enhancement Grant Program
Staff Report**

**113 E Bay Street – Underbelly
July 11, 2022**

Project name / Applicant: **The Fun Department LLC. d/b/a Underbelly**
Owner/Operator, Mr. Jason Hunnicutt
Owner/Operator, Mr. Duane DeCastro

Project Location: 113 E Bay Street
Jacksonville, Florida 32202

Total Project Costs:	\$5,503	100%
Applicant Contribution:	\$1,200	20%
Funding Request:	\$4,300	80%

Recommended Funding:	Lesser of \$4,300 or 80% of Actual Total Project Costs
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Business Bio:

The owners of The Fun Department LLC, Mr. Jason Hunnicutt and Mr. Duane DeCastro, currently operate Spliffs Gastropub at the corner of Ocean Street and Forsyth Street, along with the 1904 Music Hall and Ocean Street Tacos on Ocean Street but sought a larger space for their growing business model of providing food, drink, and live music in an entertainment district. After much success downtown with

their initial ventures, they found the opportunity at 113 E Bay Street at the site of the former Underbelly live music venue.

Originally opened in 2012, the original owners of Underbelly closed its doors in 2015. After four years of the venue being closed, Underbelly was reopened in 2019 by The Fun Department, LLC to expand their operations into a larger space and the operators chose to operate under the original name. Underbelly currently operates as a multipurpose venue that provides live music, a variety of entertainment shows, and also serves as a restaurant and bar.

While providing downtown with multiple concerts, comedy shows, and karaoke nights, Underbelly also provides patrons with a menu cultivated by Chef Cassie Romines of Spliff's Gastropub. Currently, Underbelly is operating from 5:00 PM until 2:00 AM Tuesday thru Friday, and 6:00 PM until 2:00 AM on Saturdays. Plans call for expanding the hours to 11:00 AM to provide a lunchtime option to the visitors, employees, and residents of downtown.

Project Description:

The applicant, The Fun Department LLC, has applied for funding under the Retail Enhancement Grant, Sidewalk Enhancement Stand-Alone program. The Fun Department LLC proposes to add seven, bar-height cafe tables, twenty-eight chairs, and eight stanchions at a cost of \$3,983.00. In addition, the operators plan to add seven umbrellas with bases at a cost of \$1,519.58, for a total of \$5,502.58. The installation to the sidewalk in front of their existing location at 113 E Bay Street is being made to, "Allow for more seating for the establishment, outdoor seating, and more sidewalk activation." After a preliminary viewing of the sidewalk area at 113 E Bay Street staff has determined that the area is compliant with municipal code, being that the sidewalk does measure at least 12 feet in width. Upon further inspecting and pending approval of the sidewalk café permit staff does recommend The Fun Department LLC, eligible for the Sidewalk Enhancement Stand-Alone Grant. The subject property is located within the Elbow district of the Targeted Retail Activation: Food and Beverage Establishments Program (FAB-REP) adopted by DIA pursuant to Resolution 2020-06-01 and as modified by Resolution 2021-12-02. 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, Underbelly proposes bringing the tables, chairs, umbrellas, and stanchions, indoors after closing each day. This is considered an eligible activity under the program guidelines.

Staff Recommendation:

Staff recommends approval of the request under the Retail Enhancement Grant Program to providing funding for costs 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 as supported by invoices, but not more than \$4,300.00.
2. Evidence of fully executed leasing agreement providing a term of more than three years remaining.
3. Tenant's submission and approval of a valid Sidewalk Café Permit is required prior to funding.
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 recoverable grant with clawback provisions for a term of 3 years.

TAB V

RESOLUTION 2022-08-02: AMERICAN LIONS EXTENSION

RESOLUTION 2022-08-02

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) EXTENDING THE TIME FOR NEGOTIATION OF A TERM SHEET WITH AMERICAN LIONS (“DEVELOPER”) AUTHORIZED PURSUANT TO RESOLUTION 2022-05-02 THROUGH AUGUST 31, 2022; AUTHORIZING THE CEO OF THE DIA TO CONTINUE NEGOTIATIONS WITH THE DEVELOPER AND PRESENT TO THE DIA BOARD IN SEPTEMBER 2022 A TERM SHEET FOR DISPOSITION AND DEVELOPMENT OF THE PROPERTY (“RIVERVIEW PLAZA SITE”) IN ACCORDANCE WITH THE PROPOSAL SUBMITTED BY DEVELOPER IN RESPONSE TO ISP-0362-22; AND OTHERWISE AUTHORIZING THE CEO TO TAKE ALL NECESSARY ACTION TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING AN EFFECTIVE DATE.

WHEREAS, pursuant to Resolution 2022-05-02 adopted by the DIA on May 18, 2022, American Lions, the sole respondent, was unanimously selected by the Board as the respondent to ISP-0362-22 whose proposal was deemed in the public interest, furthered the North Bank Community Redevelopment Area Plan, and furthered Sec. 163.380 Florida Statutes, and

WHEREAS, DIA staff was directed to enter into negotiations for a Term Sheet with American Lions for the sale and redevelopment of the Riverview Plaza Site; and

WHEREAS, Resolution 2022-05-02 contemplated that the award would terminate in 105 days unless a term sheet was negotiated within that time frame or the time for approval is extended by the Board; and

WHEREAS, significant progress has been made in the negotiation of a mutually acceptable Term Sheet, with good faith and diligence exercised by both parties, the final proposed terms of this important development activity have not yet been finalized.

NOW, THEREFORE, BE IT RESOLVED by the Board of 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 time frame for negotiation of a term sheet is hereby extended until September 30, 2022, to allow the staff time to negotiate and deliver a term sheet to the Board by the DIA September meeting.

Section 3. This award of the disposition to American Lions shall terminate as of September 30, 2022 unless a term sheet has been successfully negotiated and approved by the Board or the time for approval is further extended by the Board.

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

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

_____ Carol Worsham, Chair _____ Date

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

SUPPLEMENTAL INFORMATION



Downtown Investment Authority

TO: DIA RE&PD Committee / DIA Board

FROM: DIA Staff

SUBJECT: Resolution 2022-08-02, American Lions River View Plaza Development
Extension request for presentation of a Term Sheet

DATE: August 10, 2022

Summary:

The DIA seeks approval to file legislation for a 30-day extension to the time provided in Resolution 2022-05-02 to negotiate and present a Term Sheet to the DIA Board for the disposition and development of a +/- one-acre site adjacent to the River View Plaza Park with the development team American Lions.

Relevant Facts:

- American Lions, LLC, a joint venture between Fetner Properties (represented by Hal Fetner, Damon Pazzaglini, and Alex Fetner) and the Lions Group (represented by Albert Shirian and Aaron Shirian) was the only responsive bidder to ISP-0362-22 for disposition and development of the subject property.
- The DIA Board approved entering into negotiations with American Lions via Resolution 2022-05-02 at its May Board meeting and provided 105 days to complete those negotiations and present the Term Sheet to the Board for consideration of approval unless such deadline is otherwise extended by the Board. August 31, 2022, represents 105 days from that date of approval.
- The development of the River View Plaza Park, including the subject development site, is a catalyst project within Downtown Jacksonville.
- The DIA and American Lions have met several times and continue to negotiate a Term Sheet in good faith, but material terms have not yet been finalized and additional time is needed to bring that agreed-upon Term Sheet before the RE&PD Committee and the DIA Board.

Proposed Structure:

- Fee disposition of the +/- one-acre parcel located in the northwest corner of the River View Plaza Park parcel (former site of the Landing) for a nominal consideration amount.
- Twenty-year, 75% REV Grant, based on agreed-upon minimum development cost.
- Long-term loan that requires interest payments and full principal repayment secured by a mortgage with a perfected lien position subordinate to senior lender(s). Such loan would be funded paripassu with interest abatement during the construction period, supported by a completion guarantee that effectively mirrors that provided to the senior lender, and right of reversion of project is not started timely.
- Completion grant that gives consideration to:
 - 1) developed space(s) to be deeded back to the City in fee or by an easement for public space, and/or
 - 2) an amenity that may be revenue generating for the benefit of the City, and/or
 - 3) recognizes additional development costs incurred to meet the requirements of ISP-0362-22 and contributes to the benefit and value of River View Plaza Park.

TAB VI
RESOLUTION 2022-08-03: MOSH DISPOSITION

(To Be Provided Under Separate Cover)