



**Downtown Investment Authority**  
**DRAFT Agenda** (*Pending DIA Committee Action*)

**Hybrid Virtual In-Person Meeting**  
**Wednesday, January 18, 2023 at 2:00 p.m.**

**MEMBERS:**

Carol Worsham, Chair  
Jim Citrano, Vice Chair  
Oliver Barakat

Craig Gibbs, Esq.  
Braxton Gillam, Esq.  
George Saoud

**BOARD MEMBERS EXCUSED:**

**I. CALL TO ORDER**

**II. PUBLIC COMMENTS**

**III. COMMUNITY REDEVELOPMENT AGENCY**

- A. December 21, 2022, Community Redevelopment Agency Meeting Minutes
- B. Consent Agenda
- C. Resolution 2023-01-01: Northbank TID Budget
- D. Resolution 2023-01-02: USS Orleck
- E. Other Matters to be Added at the Discretion of the Chair

**IV. DOWNTOWN INVESTMENT AUTHORITY**

- A. December 21, 2022, Downtown Investment Authority Board Meeting Minutes
- B. Consent Agenda
- C. Resolution 2023-01-03: 1001 Kings Ave Funding Modification
- D. Other Matters to be Added at the Discretion of the Chair

**V. OLD BUSINESS**

**VI. NEW BUSINESS**

**VII. CEO INFORMATIONAL BRIEFING**

**VIII. CHAIRMAN REPORT**

**IX. ADJOURN**

**PHYSICAL LOCATION**

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

**PLEASE NOTE:** The multipurpose room will **not be accessible through the Main Street entrance**. The Main Street entrance will be closed. Please use the Laura Street entrance to enter 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.

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.

**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**

**DECEMBER 21, 2022**

**COMMUNITY REDEVELOPMENT AGENCY MEETING MINUTES**



**Downtown Investment Authority**  
**Hybrid Meeting**  
***Wednesday, December 21, 2022 – 2:00 p.m.***

**Community Redevelopment Agency**  
***DRAFT MEETING MINUTES***

**DIA Board Members (BM):** Carol Worsham, Chair; Jim Citrano, Vice Chair; Oliver Barakat; Todd Froats; Craig Gibbs, Esq.; and Braxton Gillam, Esq.

**DIA Board Members Excused:** None.

**Mayor’s Staff:** None

**Council Members:** Council Member Aaron Bowman

**DIA Staff:** Lori Boyer, Chief Executive Officer; Wanda J. Crowley, Financial Analyst (via Zoom); Steve Kelley, Director of Downtown Real Estate and Development; Susan Kelly, Redevelopment Coordinator (via Zoom); Ina Mezini, Communication and Marketing Specialist; Guy Parola, Operations Manager; and Antonio Posey, Project Manager

**Office of General Counsel:** John Sawyer, Esq.

**I. CALL TO ORDER:**

Chair Worsham called to order the Community Redevelopment Agency Board Meeting at 2:05 p.m.

**II. PUBLIC COMMENT**

The following speakers provided public comment:

John Noony

**III. COMMUNITY REDEVELOPMENT AGENCY MEETING**

**A. DECEMBER 21, 2022 COMMUNITY REDEVELOPMENT AGENCY MINUTES**

**Motion:** Board Member Gillam moved to approve the minutes as presented

**Seconded:** Board Member Froats seconded the motion

**Vote: Aye: 6      Nay: 0      Abstain: 0**

## B. CONSENT AGENDA

The following matters were presented to the CRA Board for consideration. Having no items moved from the Consent Agenda, Chair Worsham called for a motion on the following matters:

- i. Resolution 2022-11-01: Fincantieri Ratification
- ii. Resolution 2022-11-02: Iguana Extension
- iii. Resolution 2022-11-05: Mathers FAB-REP
- iv. Resolution 2022-11-07: Carter Extension
- v. Resolution 2022-11-08: Regions Reinstatement
- vi. Resolution 2022-12-03: Lofts at Cathedral Loan Modification
- vii. Resolution 2022-12-01: AR Polar Disposition
- viii. Resolution 2022-12-02: Jones Bros Disposition

**Motion:** Board Member Gillam moved to approve the Consent Agenda as presented  
**Seconded:** Vice Chair Citrano seconded the motion

**Vote: Aye: 6      Nay: 0      Abstain: 0**

## C. RESOLUTION 2022-12-07: MOSH SITE PLAN

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) APPROVING WITH CONDITIONS THE SITE PLAN FOR THE MUSEUM PARCEL, AS SHOWN IN EXHIBIT ‘A’; PROVIDING THE DIA CHIEF EXECUTIVE OFFICER (“CEO”) WITH THE AUTHORITY TO ADMINISTRATIVELY APPROVE MINOR CHANGES TO THE LOCATIONS OF ENTRANCES AND EXITS, BUILDING DIMENSIONS, AND USES AND ENGAGEMENT OF THE MUSEUM PARCEL ON BAY STREET AND THE RIVERFRONT; PROVIDING GUIDANCE TO THE DOWNTOWN DEVELOPMENT REVIEW BOARD (“DDRB”) AS TO THE DIA’S EXPECTATION ON BUILDING DESIGN FEATURES, RELATIONSHIP TO THE PARTNERSHIP AND PARK PARCELS, AND ACTIVATION; 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 Resolution 2022-12-07, as amended in Committee.

Having no questions by the Board, and having come from Committee no motion or second required.

**Vote: Aye: 6      Nay: 0      Abstain: 0**

**D. OTHER MATTERS TO BE ADDED AT DISCRETION OF THE CHAIR**

Bringing no further matters forward, Chair Worsham adjourned the Community Redevelopment Agency Meeting at 2:11PM.

*The written minutes for this meeting are only an overview of what was discussed. For verbatim comments of this meeting, transcripts are available upon request. Please contact Ina Mezini at [rmezini@coj.net](mailto:rmezini@coj.net) to acquire a recording of the meeting.*

DRAFT

**TAB III.C**

**RESOLUTION 2023-01-01: NORTHBANK TID BUDGET**

## RESOLUTION 2023-01-01

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY BOARD OF THE COMBINED NORTHSIDE EAST AND NORTHWEST CRA'S MODIFYING RESOLUTIONS 2020-09-01, 2021-08-04 AND 2022-08-10; REQUESTING THAT CITY COUNCIL APPROPRIATE AVAILABLE REVENUE IN THE CRA FUND BALANCE; PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, within the Combined Northside East and Northwest CRA funds there is more than \$100,000 of available revenue; and

**WHEREAS**, pursuant to 106.364, additional revenue in excess of \$100,000.00 requires City Council appropriation; and

**WHEREAS**, within the Combined Northside East and Northwest CRA fund, the City Council Auditors and the Accounting Division have reconciled the fund balance and have determined that there exists unappropriated revenue in the amount of **\$388,083.85** in the fund at year end FY 22; and

**WHEREAS**, Resolution 2020-09-01 was only partially recognized in the accounting system in that the transfer to Two Way streets was recorded but not the transfer to Future Years Financial Obligations; and

**WHEREAS**, Resolutions 2020-09-01 and 2022-08-10 have never been recognized in the accounting system; and

**WHEREAS**, the Finance and Budget Committee of the DIA has recommended that the full available Fund Balance in the Northbank CRA be appropriated as follows: to Future Years Debt Reduction/Financial Obligations in the amount of \$100,000; and to the Commercial Revitalization Program in the amount of \$288,083.85; and

**WHEREAS**, the DIA has recommended that the previously unbudgeted and unappropriated fund balance be appropriated by City Council for the uses described on Exhibit 'A' and the DIA budget for FY 22-23 be amended accordingly.

**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 requests that City Council appropriate the total available Fund Balance of unappropriated revenue as of September 2022, for the uses described on Exhibit 'A' and amend the Northbank CRA FY 22-23 budget accordingly.

**Section 3.** The DIA rescinds Resolutions (copies attached): R 2021-08-04; R 2020-09-01; and R2022-08-10 to the extent of any conflict, and this Resolution replaces the previously indicated transfers to Commercial Revitalization Program and Future Years Debt Reduction aka Future Years Financial Obligation with the amounts herein.

**Section 4.** The DIA Board hereby authorizes the CEO to take all actions necessary to effectuate the intent of this Resolution.

**Section 5.** 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: \_\_\_\_

RESOLUTION 2023-01-01  
EXHIBIT 'A'

FROM: TRANSFER FROM FUND BALANCE **\$388,083.85**

TO: FUTURE YEARS DEBT REDUCTION \$100,000.00

TO: COMMERCIAL REVITALIZATION PROGRAM \$288,083.85

**TOTAL TO: \$388,083.85**

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**PREVIOUS RESOLUTION 2022-08-10 (\*Note: Transfers were not processed in the Accounting System)**

FROM: ADDITIONAL PROPERTY TAX REVENUES- NE	\$ 10,374.00
ADDITIONAL PROPERTY TAX REVENUES- NW	\$ 12,568.00
COURTHOUSE GARAGE TENANT REVENUE	\$ 11,034.60
MPS GARAGE OPERATING REVENUES	\$ 316,307.88
IGUANA PAYMENTS	\$ 70,319.17
CHURCHWELL LOFTS	\$ 2,122.96
HARPER STREET PURCHASE	\$ 16,139.00
E'CLATE, LLC – SATISFACTION OF JUDGEMENT	\$ 76,403.62

**TOTAL FROM Additional Revenue \$ 515,269.23**

**TO: Commercial Revitalization Program \$ 515,269.23**

**PREVIOUS RESOLUTION 2021-08-04 (\*Note: Transfers of year end Investment Pool Earnings (amount tbd) was not processed in the Accounting System)**

**PREVIOUS RESOLUTIONS 2020-09-01 (\*Note: Transfer from Investment Pool earnings was not processed in the Accounting System)**

Amending the FY 19/20 adopted budget:

Appropriate additional revenue:

Proceeds from the sale of property	\$ 2,600,000.00
Investment Pool Earning through 7/31/20	\$ 119,056.77
Investment Pool Earnings 8/1/20 - year end	<u>\$ tbd</u>
TOTAL	\$

TO:

Two Way Street Conversion	\$2,600,000.00
Future Years Financial Obligations	\$ 119,056.77
	<b><u>plus tbd amount</u></b>

- Accounting recorded the \$2.6mil. transfer from the Sale of Property Proceeds to the Two Way Street Conversion project. However, there was no recording of the transfer of the \$119,056.77 plus any additional earnings from Investment Pool Earnings to Future Years Financial Obligations by the Accounting Division.

**SUPPLEMENTAL INFORMATION  
MEMORANDUM**



# DOWNTOWN INVESTMENT AUTHORITY

117 West Duval Street #310, Jacksonville, Florida 32202  
(904) 255-5302 | <https://dia.coj.net/>

**TO:** DIA Finance and Budget Committee / DIA Board  
**FROM:** Lori Boyer, CEO  
**SUBJECT:** Resolution 2023-01-01, Appropriate Revenue from Fund Balance  
**DATE:** January 10, 2023

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DIA filed bills 2022-575 (NB) and 2022-576 (SB) with City Council in July to effectuate the transfers from Investment pool earnings recommended in Resolutions 2020-09-01 and 2021-08-04. The Council Auditors deferred the legislation because of discrepancies they uncovered in the transfer to the new accounting system.

In December, the City Council Auditors finalized their reconciliations of the Fund Balances in Northbank as of September 30, 2022. After several meetings with the City’s Accounting Division staff along with the Council Auditors, the total amount of available fund balance was determined to be \$388,083.85

**Northbank CRA:**

**Res. 2023-01-01: Transfer from Fund Balance:** This Resolution will replace previous Resolutions (Res. 2020-09-01 partial; Res. 2021-08-04; and Res. 2022-08-10). Upon approval of this Resolution, a Budget Transfer will be submitted to Council to move \$100,000 from the CRA Fund Balance to Future Years Debt Reduction; and to move the remaining balance of \$288,083.85 from the CRA Fund Balance to the Commercial Revitalization Program. The reduction in the amount allocated to each of these uses will have no impact on actual pending applications or awards.

**\*Calculation below show the Activities balances after funds have been transferred.**

<b>Future Years Debt Reduction:</b>	<b>Commercial Revitalization Program</b>
\$4,599.07 Current Balance	\$1,000,0000 Current Balance
<u>\$100,000</u> Proposed Resolution	<u>\$ 288,083.85</u> Proposed Resolution
<b>\$104,599.07</b>	<b>\$1,288,083.85</b>

**TAB III.D**

**RESOLUTION 2023-01-02: USS ORLECK**

**RESOLUTION 2023-01-02**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) APPROVING THE TERMS SET FORTH ON EXHIBIT A FOR A DEVELOPMENT AGREEMENT, LICENSE AGREEMENT AND OTHER NECESSARY DOCUMENTS BETWEEN THE CITY AND THE JACKSONVILLE HISTORIC NAVAL SHIP ASSOCIATION, INC., A FLORIDA NONPROFIT CORPORATION (“JHNSA”), FOR THE RELOCATION OF THE RETIRED NAVAL VESSEL USS ORLECK (DD-886) (“USS ORLECK”) AS A FLOATING MUSEUM (“SHIP MUSEUM”), TO PIER ONE IN THE FORMER JACKSONVILLE SHIPYARDS WEST SITE ON JACKSONVILLE’S NORTHBANK, SAID DEVELOPMENT AGREEMENT BEING FOR A SIXTY (60) DAY YEAR PERIOD, AND AUTHORIZING A TEN (10) YEAR LICENSE AGREEMENT WITH JHNSA CONTINGENT UPON CERTAIN CONDITIONS PRECEDENT BEING MET BY JHNSA PRIOR TO THE EXECUTION OF THE LICENSE AGREEMENT, ALL AS SET FORTH ON EXHIBIT A; AUTHORIZING THE CHIEF EXECUTIVE OFFICER (“CEO”) OF THE DIA, TO FILE LEGISLATION AND EXECUTE SUCH DOCUMENTS AS MAY BE NECESSARY TO EFFECTUATE THIS RESOLUTION; RECOMMENDING CITY COUNCIL ADOPT LEGISLATION EFFECTUATING THE PURPOSES OF THIS RESOLUTION; PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Downtown Investment Authority (“DIA”) is the designated Community Redevelopment Agency for the North Bank Community Redevelopment Area for which a Community Redevelopment Plan was adopted by Ordinance 2014-560-E and updated by Ordinance 2022-372-E; and

**WHEREAS**, the DIA and Jacksonville City Council have previously expressed their support of efforts by the Jacksonville Historic Naval Ship Association, Inc., a Florida non-profit corporation (“JHNSA”) to bring the retired naval vessel USS Adams (DDG-2) (“USS Adams”), and later the USS Orleck (“Orleck”) to Jacksonville as a downtown floating museum (“Ship Museum”); and

**WHEREAS**, DIA Resolution 2018-05-05 and City Ordinance 2018-358-E, previously approved that certain development agreement (the “Prior Agreement”) and License Agreement (“Prior License Agreement”), and

**WHEREAS**, in December 2018, JHNSA became aware that the USS Adams would likely not be made available for donation for the purpose of a retired naval museum, and

**WHEREAS**, DIA Resolution 2020-01-02 and City Ordinance 2021-358-E, previously approved that certain development agreement (the “Current Agreement”) and License Agreement (“Current License Agreement”), and

**WHEREAS**, the Current Agreement was executed by the parties and pursuant to extensions granted by the CEO, remains in effect, however the pre-conditions to entry into the Current License Agreement have not been met; and

**WHEREAS**, the JHNSA has acquired the Orleck, brought the ship to Jacksonville, and temporarily moored the ship on the Northbank bulkhead; and

**WHEREAS**, the City Council recently adopted ordinance 2022-875 granting a temporary construction easement that allowed the JHNSA to begin installation of the mooring improvements necessary for relocation of the ship to Pier One; and

**WHEREAS**, the CEO's authority to extend the Current Agreement ends on March 31, 2023; and

**WHEREAS**, JHNSA has requested modified terms in a new Development Agreement and License Agreement; and

**WHEREAS**, the DIA has evaluated the project and has proposed a new development agreement, license agreement to accomplish the goals and objectives of the CRA, JHNSA, and the City and to ensure the Project's overall operation is satisfactory and contributing to the City upon the terms set forth in Exhibit A;

**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 CEO of DIA is hereby authorized to negotiate a new Development Agreement (the "Agreement"), License Agreement ("License") and any other necessary documents between the City and JHNSA for the relocation of the USS Orleck as a floating Ship Museum at to Pier One in Shipyards West within Jacksonville's Northbank community redevelopment area, and its future operation in that location, in accordance with the terms outlined in **Exhibit "A"** attached hereto.

**Section 3.** The CEO of DIA is hereby authorized to file legislation seeking City Council approval of the Development Agreement, License Agreement and other necessary documents, and following approval by the City Council, execute the same.

**Section 4.** The Effective Date of this Resolution is the date of execution of the Resolution by the Chairman of the DIA Board.

(SIGNATURES ON FOLLOWING PAGE)

WITNESS:

**DOWNTOWN INVESTMENT AUTHORITY**

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Carol Worsham, Chair

VOTE: In Favor: \_\_\_\_\_ Opposed: \_\_\_\_\_ Abstained: \_\_\_\_\_ DATE: \_\_\_\_\_

DRAFT

**EXHIBIT A**

2022 JHNSA TERM SHEET

- Project Name:** The USS Orleck (DD-886)
- Developer/Applicant:** Jacksonville Historic Naval Ship Association, Inc., a Florida non-profit Corporation (“JHNSA”)
- City Funding:** \$50,000 CIP project to bring temporary power to ship (previously approved)
- CIP project- JFRD 010366 inclusive of \$1,200,000 to design and construct an extension of Catherine Street, inclusive of on-street parking on one side of the street, sidewalk, landscaping (trees), streetlights, and installation of permanent water, sewer, and electric utilities within the right of way
- CIP projects PW010606 in the amount of \$15,000,000 and DIA 010432 in the amount of \$11,250,000 for the design and construction of Shipyards West Park which will include, among other recreational facilities, permanent restrooms, and a ticketing facility to serve the USSS Orleck
- Infrastructure:** The City of Jacksonville will provide;
1. Temporary power and water service to the Riverwalk at Pier One for connection by the ship; work to be completed by March 31, 2023.
  2. Permanent water, sewer and electric service to the Riverwalk at Pier One will be included in the Catherine Street extension
  3. The Catherine Street extension project will provide on-street parking along one side and will be completed as expeditiously as possible with the goal of completion by March 31, 2024
  4. The Catherine Street extension project will include landscaping, trees, sidewalk connection to Bay Street and streetlights
  5. Within Shipyards West Park in the vicinity of the Catherine Street Extension, the City will construct a permanent restroom facility and ticket area as Phase 1 of the park construction
  6. Within the western half of Shipyards West Park and Catherine Street extension, the city will provide 50 parking spaces for use by the public.
- Land:** Title to the property shall remain with the City of Jacksonville; JHNSA shall be granted a 10 year license to moor the ship at Pier One, including use of the waters above City owned submerged land adjacent to Pier

One; and both a temporary right of use of upland within Shipyards West Park as described below, as well as a license for use of specific park space/improvements once park construction is complete for the remainder of the license term. JHNSA will not be making any payments for the grant of the license to “dock” at the shipyards.

- REV Grant:** No REV Grant is contemplated for this project.
- Grant(s):** No grant is contemplated for this project
- Loan:** No loan is contemplated for this project.
- Agreements:** Development Agreement: Details the actions and deliverables which the Jacksonville Historic Naval Ship Association (the “JHNSA”) needs to deliver, to the satisfaction of the Downtown Investment Authority (the “DIA”), to receive the License to moor the USS Orleck at the Shipyards property.
- License Agreement: Details the rights, duties, obligations and conditions of the actual grant and operation of the License to moor the USS Orleck at the Shipyards property.
- Other Documents: As necessary.

### **Financial Impacts**

- The transaction is for a License (permission); therefore, no property rights are granted to the JHNSA.
- The JHNSA will not be paying any rent, user fees, or remuneration to the City for the license.
- The JHNSA has a plan in place for the removal of the USS Orleck should that be necessary.
- The Development Agreement and License agreement are subject to insurance requirements as determined by the City’s Risk Management Division.
- The City infrastructure improvements contemplated herein have been previously approved and funded in the City CIP.

### **The Development Agreement**

- The development agreement spells out the conditions precedent to the City’s execution of the License Agreement, and the granting of the license.
- The Development Agreement will contemplate satisfaction of all conditions precedent and execution of the License on or before March 31, 2023.
- The Conditions precedent include, but are not limited to, the following:

- The JHNSA shall provide the DIA evidence that it has raised the sufficient funding to complete the project, including all temporary improvements and operate for one year in accordance with the budget attached as Exhibit 1 (currently estimated at \$1,127,350); and
- The JHNSA will provide the City with a certified cost estimate of all costs associated with the removal of the USS Orleck and towing of the ship to Brownsville, Texas, and shall deliver to the City an irrevocable letter of credit from VyStar Credit Union in such amount and upon terms acceptable to the City.
- Florida Department of Environmental Protection (“FDEP”) has approved the terms of the new License Agreement; and
- The JHNSA will demonstrate that it has United States Coast Guard approvals and any necessary permits for activities associated with operations of the Ship Museum; and
- The JHNSA will demonstrate that it has met all the insurance requirements contained in the License Agreement (as required by the City’s Risk Management Division); and
- DIA has approved the plans, scope of work and project budget, performance schedule and project sources and uses of funds.
- The Development Agreement will contain all of the following termination provisions:
  - If the Association fails to satisfy the Conditions Precedent, enter into the License Agreement, and relocate the Orleck to Pier One within the time specified herein;
  - For a breach of any provision of this Agreement;
  - In the event of default; or
  - Termination with cause, on 90-days’ notice in the event JHNSA fails to operate the Orleck as a Museum Ship open to the public for at 14 hours per week until completion of Shipyards West park and thereafter for at least 40 hours per week.
  - Termination with cause, on 90-days’ notice, in the event the ship is not maintained in a satisfactory condition.
- City Obligations in Development Agreement:
  - Fund the design and construction of an extension of Catherine Street inclusive of on-street parking on the eastern side of the roadway, a sidewalk running from Bay Street to the Riverwalk, and associated landscape and lighting with a goal of completion by March 31,2024. Utilities will also be run from Bay Street to the Riverwalk to serve the Fire Museum, future park amenities and the Orleck.
  - The City, at its cost, will bring temporary power and water (not sewer) from Bay Street to the Riverwalk at Pier One for connection to the Orleck. This will be completed prior to the Orleck’s relocation.

- The revised Development Agreement will acknowledge that the presence of temporary utilities and the above-described gangways are essential to continuous operation of the ship museum. The License will provide appropriate conditions and time to address delays in installation of these items.
- Shipyards West Park- Design and construct of Shipyards West park which includes the upland from Bay Street to the Riverwalk beginning at Catherine Street and running easterly toward Hogans Creek. This land is subject to the Florida Recreation Development Assistance Program recorded use restriction for public recreational use.
  - Phase 1A for construction would be the upland adjacent to Catherine Street and the fire museum and Orleck inclusive of the Riverwalk, and a permanent restroom and ticket building. Phase 1 will not include re-decking of Pier One or reconnection to the Riverwalk but may at a future date.
  - DIA will direct Agency to include at least 50 parking spaces in the design of the western end of the park, currently envisioned to be accessible from Bay Street and at grade with park space above the roof of the parking area.
  - DIA will direct Agency, in its design of the restroom and ticket office for the Fire Museum and Orleck to evaluate and accommodate if feasible a second story access to the Fire museum and Orleck which would eliminate the need for ramped access.
  - DIA will direct Agency to evaluate, design and price, the re-decking of Pier One for future direct access, however current funding may not allow this work until a subsequent phase.
  - DIA will direct Agency to evaluate the opportunity for a third story on the restroom/ticketing building or possible expanded footprint, or possibly on the second story

### **The License Agreement**

- The License Agreement permits the JHNSA to moor the USS Orleck at Pier One located at the City owned Shipyards property (see attached exhibit demonstrating the expected location of the ship's mooring).
- The License is for an initial ten (10) year term, with two possible renewals of five (5) years each for a total possible life of twenty (20) years.
- The license includes the submerged lands under the ship as well as anticipated uplands areas (the "Museum Site").
- Title to the property shall remain with the City of Jacksonville.
- The License agreement shall contain the same indemnities as the development agreement.

- The License Agreement shall contain its own Insurance requirements (as required by the City's Risk Management Division).
- JHNSA will be responsible for all water and electric usage charges.
- The License Agreement shall contain the same removal contingency provisions as the Development Agreement (provide the City 110% of the removal costs associated with the removal of the USS Orleck and towing of the ship to Brownsville, Texas, in the form of an irrevocable letter of credit from VyStar Credit Union upon terms acceptable to the City). The letter of Credit must be delivered before moving the ship to Pier One.
- The License Agreement shall require that every five (5) years, JHNSA provide DIA with a current certified cost estimate for the costs associated with the removal of the USS Orleck and towing of the ship to Brownsville, Texas. In the event the letter of credit is less than 110% of any required certified cost estimate, JHNSA shall immediately acquire a new letter of credit from Vystar in the increased amount.
- The License Agreement shall allow temporary use of an unimproved area east of the fire museum for temporary parking on the grass pending construction of Catherine Street and Phase 1A of the park as well as the temporary use of a small upland parcel adjacent to the ship access point for Riverwalk (approximately 30' x 30') upon which a trailer office and portable restroom will be installed for temporary use by JHNSA pending completion for the permanent restroom and office in Phase 1A of Shipyards West park. JHNSA is responsible for the rental costs of the trailers and any pump out charges. The temporary parking area made available for ORLECK visitors during the design phase of the Shipyard West Park by Agency Landscape is expected to become a part of the expedited Phase 1 construction activity. When required, the public access parking for ORLECK will be moved to the east a sufficient distance so as to enable the Phase 1 construction to be safely completed. See attached Exhibit 2.
- JHNSA will install barricade or temporary fencing to segregate their parking area and trailers from the remainder of the site and will have a right of pedestrian access from the Bay Street sidewalk to the upland at the ship, which JHNSA may improve with temporary matting or similar materials. Costs of the fencing, signage or banners on the fencing, and any sidewalk material are the responsibility of JHNSA. This parking may be signed Orleck visitors only during the temporary period.
- JHNSA will be responsible for installation of a ramp or gangway from the upland to the stern of the ship to provide temporary visitor access. If available, the City will allow use of a gangway in Parks Department inventory, but Parks shall not be required to purchase new equipment or remove it from another active use for this purpose.

**EXHIBIT 1****USS Orleck Budget** 01/2023 through 12/2023

	Annual/One Time	Monthly
<b>REVENUE</b>		
Ticket Sales	\$	38,000.00
Rental/Events	\$	1,500.00
Tours	\$	600.00
Memberships	\$	2,250.00
Gift Shop	\$	3,000.00
Partnerships & Sponsorships	\$	5,000.00
Volunteer Florida Grant (Volunteer Program)	\$	1,667.00
<b>Total Monthly/Annual Revenue</b>	<b>\$ 624,204.00</b>	<b>\$ 52,017.00</b>
Cash on hand as of Jan 1, 2023		
Money Market	\$	791,000.00
Operating Account	\$	111,000.00
Gift Shop	\$	8,500.00
<b>Total</b>	<b>\$</b>	<b>910,500.00</b>
<b>TOTAL Revenue &amp; Cash on Hand</b>	<b>\$ 1,534,704.00</b>	
<b>EXPENSES</b>		
<b><u>Pier One Improvements</u></b>		
Mooring Improvements-Hal Jones	\$ 398,000.00	
Fender installation	\$ 1,000.00	
Dredge Spoil Disposal	Unknown	
Tow to Pier One-Cross State	\$ 24,000.00	
Insurance	\$ -	HJC Has Provided COI
	<b>\$ 423,000.00</b>	
<b><u>Temporary Upland Improvements</u></b>		
Fencing/barricades for parking	\$ 23,000.00	
Matting for temp. sidewalk	\$ 750.00	
Temp Bldgs (2) Delivery and Hookup	\$ 16,000.00	
Crane service to relocate brow (ramp)	\$ 5,000.00	
Upland platform access to brow	\$ 10,000.00	
Insurance		
Miscellaneous	\$ 10,000.00	
	<b>\$ 64,750.00</b>	
<b>Total Improvements Costs (one-time)</b>	<b>\$ 487,750.00</b>	
<b><u>Operating Expenses</u></b>		
Restroom pumpout	\$	500.00
Electric	\$	1,200.00
Water	\$	250.00
Insurance	\$	2,000.00
Adv./prmotion	\$	2,000.00
Office/G&A	\$	2,000.00
Salaries/benefits	\$	25,100.00
Telephone, website,mail,etc.	\$	250.00
Temp office bldg and ticketing and restroom	\$	2,000.00
Interest	\$	12,000.00
Other	\$	1,000.00
<b>Total Monthly/Annual Expenses</b>	<b>\$ 579,600.00</b>	<b>\$ 48,300.00</b>
<b>Post Arrival Work on Ship per month</b>	<b>\$ 60,000.00</b>	<b>\$ 5,000.00</b>
<b>TOTAL Expenses &amp; Improvements</b>	<b>\$ 1,127,350.00</b>	
<b>Tow Away Letter of Credit</b>	\$ -	\$375,000 Evergreen Letter From VYSTAR

**EXHIBIT 2**

**SKETCH SHOWING:**  
PROPOSED EASEMENT 3 IN RELATION TO USS ORLECK



OR 15385, PG. 1174  
WLSI PARCEL

S T . J O H N S R I V E R

SURVEY DATA		CITY OF JACKSONVILLE DEPARTMENT OF PUBLIC WORKS ENGINEERING DIVISION #14 K. HIGAN & BFF 1110 N. GORRUCK ROAD, JACKSONVILLE, FL 32202-5000 904-755-8750	PROJECT NO.	USS ORLECK PROPOSED IMPROVEMENTS	DATE
DATE	PROJECT NAME		SCALE		
DRAWN BY	PAGES				
CHECKED BY	PAGES				

**TAB IV.A**

**DECEMBER 21, 2022**

**DOWNTOWN INVESTMENT AUTHORITY BOARD MEETING MINUTES**



**Downtown Investment Authority**  
**Hybrid Meeting**  
***Wednesday, December 21, 2022 – 2:00 p.m.***

**Downtown Investment Authority**  
**DRAFT MEETING MINUTES**

**DIA Board Members (BM):** Carol Worsham, Chair; Jim Citrano, Vice Chair; Oliver Barakat; Todd Froats; Craig Gibbs, Esq.; and Braxton Gillam, Esq.

**DIA Board Members Excused:** None.

**Mayor's Staff:** None

**Council Members:** Council Member Aaron Bowman

**DIA Staff:** Lori Boyer, Chief Executive Officer; Wanda J. Crowley, Financial Analyst (via Zoom); Steve Kelley, Director of Downtown Real Estate and Development; Susan Kelly, Redevelopment Coordinator (via Zoom); Ina Mezini, Communication and Marketing Specialist; Guy Parola, Operations Manager; and Antonio Posey, Project Manager

**Office of General Counsel:** John Sawyer, Esq.

**I. DOWNTOWN INVESTMENT AUTHORITY MEETING**

Chair Worsham called the meeting to order at 2:11PM.

**A. DECEMBER 21, 2022 DOWNTOWN INVESTMENT AUTHORITY BOARD MEETING MINUTES**

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

**Motion:** Board Member Gillam moved to approve the minutes as presented

**Seconded:** Board Member Froats seconded the motion

**Vote:** Aye: 6      Nay: 0      Abstain: 0

**THE MOTION PASSED UNANIMOUSLY 6-0-0**

**B. CONSENT AGENDA**

The following matters were presented to the DIA Board for consideration. Resolution 2022-11-06 was moved from the Consent Agenda by the Chair. Chair Worsham called for a motion on the following matters:

- i. Resolution 2022-11-03: Jax Children’s Chorus
- ii. Resolution 2022-11-04: 120 E. Forsyth DPRP

**Motion:** Board Member Gillam moved to approve the Consent Agenda as modified.  
**Seconded:** Board Member Froats seconded the motion

**Vote: Aye: 6      Nay: 0      Abstain: 0**

**C. RESOLUTION 2022-11-06: LOFTS AT CATHEDRAL DPRP**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) RECOMMENDING THAT CITY COUNCIL APPROVE A DOWNTOWN PRESERVATION AND REVITALIZATION PROGRAM (“DPRP”) LOAN PACKAGE FOR THE REHABILITATION OF THE BUILDING LOCATED AT 325 E DUVAL STREET, JACKSONVILLE, FL 32257 (“PROPERTY”) PURSUANT TO A REDEVELOPMENT AGREEMENT WITH LOFTS AT CATHEDRAL, LTD OR ASSIGNS (“OWNER” OR “DEVELOPER”); FINDING THAT THE PLAN OF DEVELOPMENT IS CONSISTENT WITH THE DIA’S BUSINESS INVESTMENT AND DEVELOPMENT PLAN (“BID PLAN”) AND THE DOWNTOWN NORTHBANK COMMUNITY REDEVELOPMENT AREA PLAN (“CRA PLAN”); AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO NEGOTIATE THE CONTRACT AND ASSOCIATED DOCUMENTS AND FILING OF LEGISLATION WITH THE CITY COUNCIL REGARDING THE DPRP LOAN PACKAGE; 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.**

Having no comments by the Board, Chair Worsham called for a motion.

**Motion:** Board Member Froats moved to approve the resolution as presented  
**Seconded:** Vice Chair Citrano seconded the motion

**Vote: Aye: 5      Nay: 0      Abstain: 1**

Board Member Gillam abstained from voting. A voting conflict form 8B was filed with the Office of General Counsel by Board Member Gillam.

**D. RESOLUTION 2022-12-04: LOFTS AT CATHEDRAL ALLOCATION**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) ALLOCATING TWO (2) MULTI-FAMILY UNITS TO VC CATHEDRAL, LLC, OR AN AFFILIATED ENTITY (“DEVELOPER”) FOR USE ON CERTAIN PROPERTY IDENTIFIED BY DUVAL COUNTY TAX PARCEL NUMBERS 073617 0020 AND 073617 0000 (“PROPERTY”); AUTHORIZING AN ASSIGNMENT OF MOBILITY FEE CREDITS FOR THE LESSER OF THE ACTUAL MOBILITY FEE OBLIGATION AS DETERMINED BY THE CONCURRENCY MANAGEMENT SYSTEMS OFFICE OR \$36,441.00; AUTHORIZING THE SALE OF UP TO 1.68 OF SURPLUS WATER QUALITY COMPENSATORY CREDITS; 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.**

A summary of the resolution was provided by Guy Parola, DIA staff. Following the summary Chair Worsham called for a motion.

**Motion:** Board Member Gibbs moved to approve the resolution as presented  
**Seconded:** Board Member Barakat seconded the motion

Following a question regarding the available balance of stormwater credits, Chair Worsham called for a vote:

**Vote: Aye: 5      Nay: 0      Abstain: 1**

Board Member Gillam abstained from voting. A voting conflict form 8B was filed with the Office of General Counsel by Board Member Gillam.

**E. RESOLUTION 2022-12-05: RIVERS EDGE ALLOCATION CONFIRMATION**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) EFFECTUATING A FIRST AMENDMENT TO THAT ALLOCATION OF DEVELOPMENT RIGHTS AGREEMENT DATED NOVEMBER 17, 2015, BETWEEN THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AND ELEMENTS DEVELOPMENT OF JACKSONVILLE, LLC, ATTACHED HERETO AS EXHIBIT “A”, TO: (1) RECONFIRM THE ALLOCATION OF DEVELOPMENT RIGHTS; (2) EXPRESSLY ALLOCATE ONE HUNDRED TWENTY-FIVE (125) MARINA SLIPS TO ELEMENTS DEVELOPMENT OF JACKSONVILLE, LLC, PURSUANT TO SECTION 1.iv CONTAINED IN**

**EXHIBIT “A”; (3) AMEND SECTION 1.vii OF THE ATTACHED EXHIBIT “A” TO REPLACE “AUGUST 26, 2017” WITH “JULY 12, 2018” (THAT DATE BEING THE EFFECTIVE DATE OF THAT REDEVELOPMENT AGREEMENT ENTERED INTO BETWEEN THE DOWNTOWN INVESTMENT AUTHORITY, THE CITY OF JACKSONVILLE, AND ELEMENTS DEVELOPMENT OF JACKSONVILLE, LLC); (4) REMOVE SECTION 5 WITHIN THE ATTACHED EXHIBIT “A” IN ITS ENTIRETY; 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.**

A summary of the resolution was provided by Guy Parola, DIA staff. Following the summary Chair Worsham called for a motion.

**Motion:** Board Member Gillam moved to approve the resolution as presented  
**Seconded:** Board Member Gibbs seconded the motion

Following a question regarding the prior actions by the Board regarding the allocation, Chair Worsham called for a vote.

**Vote: Aye: 6      Nay: 0      Abstain: 0**

**F. RESOLUTION 2022-12-08: AR POLAR ACCESS AGREEMENT**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AUTHORIZING ITS CHIEF EXECUTIVE OFFICER (“CEO”) TO EXECUTE A SITE ACCESS AGREEMENT (“AGREEMENT”) WITH AR POLAR JACKSONVILLE, LLC (“LICENSEE”), FOR THAT CERTAIN REAL PROPERTY GENERALLY DESCRIBED AS A FOUR AND THREE-QUARTER (4.75) ACRE PORTION DUVAL COUNTY TAX PARCEL 130574 0150, AS MORE FULLY ILLUSTRATED BY EXHIBIT ‘A’ (“PROPERTY”); INSTRUCTING ITS CHIEF EXECUTIVE OFFICER (“CEO”) TO OBTAIN APPROVAL FROM THE CITY’S RISK MANAGER, DIRECTOR OF PUBLIC WORKS AND THE OFFICE OF GENERAL COUNSEL PRIOR TO EXECUTION OF THE AGREEMENT; INSTRUCTING THE CEO TO TAKE ALL NECESSARY ACTION TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.**

A summary of the resolution was provided by CEO Boyer. Following the summary Chair Worsham called for a motion.

**Motion:** Board Member Gillam moved to approve the resolution as presented  
**Seconded:** Vice Chair Citrano seconded the motion

Seeing no questions by the Board, Chair Worsham called for a vote:

**Vote: Aye: 6      Nay: 0      Abstain: 0**

**G. RESOLUTION 2022-12-06: RECOGNITION OF BOARD MEMBER FROATS**

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

CEO Boyer read the resolution into the record. Following the reading of the resolution, Chair Worsham called for a motion.

**Motion:** Board Member Gibbs moved to approve the resolution as presented  
**Seconded:** Board Member Barakat seconded the motion

Following comments by the Board, Chair Worsham called for a vote:

**Vote: Aye: 6      Nay: 0      Abstain: 0**

**H. OTHER MATTERS TO BE ADDED AT THE DISCRETION OF THE CHAIR**

**THE MOTION PASSED UNANIMOUSLY 6-0-0**

**II. OTHER MATTERS TO BE ADDED AT THE DISCRETION OF THE CHAIR**

None.

**III. OLD BUSINESS**

None.

**IV. NEW BUSINESS**

None.

**V. CEO INFORMATIONAL BRIEFING**

CEO Boyer provided a presentation on the status of Downtown projects, including the historic Shotgun Houses rehabilitation, Home2Suites, the Federal Reserve Building and others.

**VI. CHAIRMAN REPORT**

None.

**VII. ADJOURN**

**ADJOURNMENT:** There being no further business, Chair Worsham adjourned the meeting at 2:58PM.

*The written minutes for this meeting are only an overview of what was discussed. For verbatim comments of this meeting, transcripts are available upon request. Please contact Ina Mezini at [rmezini@coj.net](mailto:rmezini@coj.net) to acquire a recording of the meeting.*

**TAB IV.C**

**RESOLUTION 2023-01-03: 1001 KINGS AVE FUNDING MODIFICATION**

## RESOLUTION 2023-01-03

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) REVISING THE MAXIMUM FUNDING AMOUNTS FOR THE HISTORIC PRESERVATION RESTORATION AND REHABILITATION FORGIVABLE LOAN, THE CODE COMPLIANCE RENOVATIONS FORGIVABLE LOAN, AND THE DPRP DEFERRED PRINCIPAL LOAN AS APPROVED FOR THE BENEFIT OF ALE KINGS HOLDINGS, LLC FOR REHABILITATION OF THE BUILDING LOCATED AT 1001 KINGS AVENUE (THE “PROPERTY”) PURSUANT TO A REDEVELOPMENT AGREEMENT CONSISTENT WITH THE DIA’S BUSINESS INVESTMENT AND DEVELOPMENT PLAN (“BID PLAN”) AND THE DOWNTOWN NORTHBANK COMMUNITY REDEVELOPMENT AREA PLAN (“CRA PLAN”); 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.**

**WHEREAS**, ALE Kings Holdings, LLC (“Developer”) is the owner of the Property and the building located on the Property which has been designated a local historic landmark by the Jacksonville City Council in Ordinance 1999-768 and is within the boundaries of the Downtown Southside CRA; and

**WHEREAS**, Developer applied for incentive funding under the Downtown Preservation and Revitalization Program to facilitate rehabilitation of the Property, and whereby the request was approved by the DIA Board pursuant to Resolution 2022-04-11 and was further approved by the Jacksonville City Council pursuant to Ordinance 2022-580-E; and

**WHEREAS**, Developer has submitted documentation to evidence the completion of rehabilitation efforts to the Property located in the Southbank District of Downtown Jacksonville in accordance with the Redevelopment Agreement with an Effective Date of November 2<sup>nd</sup>, 2022 (the “RDA”); and

**WHEREAS**, Section 4.2 of the RDA established Total Development Costs; Minimum Expenditures which include Minimum Total Construction Costs equal to the Total Budget Amount of \$2,519,649, and requires a reduction in the DPRP loan amounts in proportion to any shortfall to the Minimum Total Construction Costs that does not exceed 10%; and

**WHEREAS**, Developer’s actual Total Construction Costs as presented to the DIA in support of its request for funding totals \$2,346,011, or 6.89% below the required minimum; and

**WHEREAS**, the DIA Board is authorized by the RDA to reduce the DPRP Loan Amounts consistent with DPRP Guidelines without further approval by the City Council; and

**WHEREAS**, additional terms and conditions including the Funding Category Minimums and other funding requirements found in the RDA remain unaffected by this Resolution; 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 instructs the Chief Executive Officer of the Downtown Investment Authority to take all necessary actions to reduce the maximum DPRP funding to \$1,146,865 pursuant to the Downtown Historic Preservation and Revitalization Program guidelines in accordance with the terms set forth on the term sheet attached hereto as Exhibit A.

**Section 3.** The Chief Executive Officer is hereby authorized to execute the contracts and documents and otherwise take all necessary action in connection therewith to effectuate the purposes of this Resolution.

**Section 4.** The Effective Date of this Resolution is the date upon execution of this Resolution by the Chair of the DIA Board.

**WITNESS:**

**DOWNTOWN INVESTMENT AUTHORITY**

\_\_\_\_\_  
Carol Worsham, Chairman

\_\_\_\_\_  
Date

**VOTE:** In Favor: \_\_\_\_\_ Opposed: \_\_\_\_\_ Abstained: \_\_\_\_\_

**Exhibit A:**

**DOWNTOWN PRESERVATION AND REVITALIZATION PROGRAM  
 TERM SHEET**

**1001 Kings Avenue**

**Project:** The project comprises the redevelopment of a three-story, 13,500 gross square foot historic property located at 1001 Kings Avenue (RE# 080088-0000) in the Southside District of Downtown Jacksonville owned by ALE Kings Holdings, LLC. The property is expected to be fully occupied by two tenants, England Trading Company, LLC operating a retail furniture store and doing business as “Industry West” occupying approximately 8,000 square feet on the first and second floors, and corporate offices for CL Breeze, LLC d/b/a Breeze Homes for the 3,905 square-foot third floor.

Because the property received a Certificate of Appropriateness from the City of Jacksonville Historic Preservation Commission for the exterior of the property only, the redevelopment efforts are not eligible for funding under the Historic Preservation, Restoration, and Rehabilitation Forgivable Loan (“HPRR”) components for interior restoration or interior rehabilitation.

City funding for redevelopment of this building (“Property”) is conditioned upon terms found in this Exhibit A to Resolution 2022-04-11. Forgivable loan documentation will be prepared and entered into with the Applicant for the Property as approved by the DIA Board and the City Council of Jacksonville, Florida.

<b>Owner / Applicant / Borrower:</b>	ALE Kings Holdings, LLC
<b>Total Development Costs (estimate):</b>	\$5,133,853
<b>Underwritten Development Costs Used for DPRP Calculations:</b>	\$4,813,063
<b>Equity (proposed):</b>	\$705,303

**City Funding:** An amount determined to be \$1,146,865 through the City of Jacksonville, as follows:

	<b>Historic Preservation, Restoration, and Rehabilitation Forgivable Loan (HPRR)</b>	<b>Code Compliance Forgivable Loan (CCR)</b>	<b>DPRP Deferred Principal Loan</b>	<b>TOTAL</b>
<b>TOTAL</b>	<b>\$239,475</b>	<b>\$678,017</b>	<b>\$229,383</b>	<b>\$1,146,865</b>

To be eligible for funding, all work must be reviewed and approved by the Planning and Development Department for consistency with the United States Secretary of Interior Standards and applicable design guidelines during application processing and for verification upon completion and request for funding under terms defined further herein.

**Budget.** The construction budget reviewed and approved by the DIA in the total amount of TWO MILLION FIVE HUNDRED NINETEEN THOUSAND SIX HUNDRED FORTY-NINE DOLLARS AND ZERO CENTS (the “Total Budget Amount”), which includes Construction Costs to be incurred in each of the funding categories (each, a “Funding Category”) and in the minimum amounts (each a “Funding Category Minimum”) set forth in the table below:

<b>Funding Category</b>	<b>Funding Category Minimum</b>
Interior Rehabilitation	0
Interior Restoration	0
Exterior	257,225
Code Compliance	970,999
General Requirements/Other	321,405
N/A <sup>1</sup>	970,020
<b>Total Budget Amount:</b>	<b>\$ 2,519,649</b>

<sup>1</sup> The category “N/A” is not required to be met as a Funding Category Minimum for reimbursement of other categories under the DPRP. For further clarity, there will be no reimbursement for expenditures categorized as “N/A” in the construction budget.

**Minimum Expenditures:** In order to be eligible for the maximum amount of the DPRP Loan, the Owner must provide evidence and documentation prior to the applicable DPRP Loan closing, sufficient to demonstrate to the DIA in its sole but reasonable discretion, the following:

- (i) a total equity capital contribution of at least SEVEN HUNDRED FIVE THOUSAND THREE HUNDRED THREE DOLLARS AND ZERO CENTS (\$705,303) (the “Required Equity”);
- (ii) Total Development Costs incurred of FOUR MILLION EIGHT HUNDRED THIRTEEN THOUSAND SIXTY-THREE DOLLARS AND ZERO CENTS (\$4,813,063) which shall exclude Developer/Program Management Fee, FF&E, tenant improvements, and operating or finance reserves (the “Minimum Total Development Costs”);
- (iii) Total Construction Costs incurred of at least the Total Budget Amount (the “Minimum Total Construction Costs”), and
- (iv) Construction Costs incurred of at least the Funding Category Minimum with respect to each respective Funding Category.

Notwithstanding the foregoing, the required Minimum Total Development Costs of \$4,813,063 may be reduced by a maximum of ten percent (10%) overall, as determined by the DIA in its sole and absolute discretion, without affecting the Owner’s eligibility for the approved DPRP Loans.

Further, any Funding Category Minimum may be reduced by a maximum of ten percent (10%) on a stand-alone basis, as determined by the DIA in its sole and absolute discretion; provided that, in such event, there shall be a pro-rata reduction in any or each of the related DPRP Loans, as required.

DIA staff shall present to the DIA Board a request for approval of the reduced DPRP Loans consistent with the DPRP Guidelines. The DIA Board shall have the authority, without further action by City Council, to approve reduced DPRP Loan amounts provided the Total Development Costs incurred are not less than \$4,331,757 including Total Construction Costs incurred of not less than \$2,267,684.

**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 are requested from the City of Jacksonville for this development activity

**Performance Schedule:**

- A) Redevelopment Agreement to be executed within thirty (30) days of the Bill Effective Date.
- B) Commencement of Construction: Within six (6) months following the Redevelopment Agreement Effective Date, Applicant commits to commencement of construction, meaning 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.
- C) Substantial Completion: Within eighteen (18) 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 extensions to the Commencement Date shall have the same effect of extending the Completion Date simultaneously.

**Additional Commitments:**

- A) The Developer commits to the development of a minimum of 13,000 square feet of net leasable commercial/retail space for tenants.
- B) Recommendation as to the eligibility of the approved scope of work on the property by the Planning and Development Department shall be required prior to DIA Board approval of any program funding. 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") as may be required.

- C) Upon completion and request for funding, all work on the Properties must be inspected by the Planning and Development Department or designee for compliance with the approved application prior to funding under any DPRP loan component.
- D) Funding under the DPRP will be secured by a stand-alone, subordinate lien position on the Property behind any senior secured, third-party lender providing construction, mini-perm, or permanent financing, as long as such subordination does not alter the DIA approved maturity date of any DPRP Loan.
- E) Each DPRP loan will be cross defaulted with one another.
- F) 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.
- G) As the Borrower 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.
- H) Standard clawback provisions will apply such that:
  - a) In the event the Borrower sells, including without limitation a capital lease transaction, or otherwise transfers the Historic Building during the first five (5) years after the disbursement of the Forgivable Loans, 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) Changes in the proposed intended use of the property must continue to contribute towards the relevant Redevelopment Goals and Performance Measures of the DIA and shall be presented to the DIA for further approval not less than 90 days in advance of such changes, and such approval shall not be unreasonably withheld. 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 or Loan without

such approval, the full amount of the amounts awarded, together with all accrued but unpaid interest thereon, may be declared by the DIA to become due and payable by the Borrower.

- I) 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.
- J) The DPRP Deferred Principal Loan component requires fixed annual interest payments equal to the total principal outstanding multiplied by the prevailing Ten-Year Treasury Note Rate at the time established for closing.
- K) 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.
- L) DIA reserves the right to approve any sale, disposition of collateral property, or refinance of senior debt prior to the forgiveness or repayment of any DPRP Loan.
- M) 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.
- N) Payment defaults, bankruptcy filings, or other material defaults during the DPRP loan period will trigger the right for the City of Jacksonville to accelerate 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.

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 is deemed necessary).