



Downtown Investment Authority
Retail Enhancement and Property Disposition Committee Hybrid Meeting
Tuesday, November 16, 2021 – 2:00 p.m.

RE&PD Committee Hybrid Meeting
MEETING MINUTES

Retail Enhancement and Property Disposition Committee Members in Attendance:

Oliver Barakat, Chair	David Ward, Esq., Committee Member
Carol Worsham, Committee Member	Todd Froats, Committee Member

Committee Members Excused: None

Board Members in Attendance: Jim Citrano (via Zoom)

DIA Staff Present: Lori Boyer, Chief Executive Officer; Ina Mezini, Marketing and Communications Specialist (via Zoom); Lori Radcliffe-Meyers, Downtown Development Coordinator (via Zoom); and Xzavier Chisholm, Administrative Assistant

Office of General Counsel: John Sawyer, Esq.

I. CALL TO ORDER

The Retail Enhancement and Property Disposition Committee meeting of October 19, 2021, was called to order at 2:02 p.m. by Chairman Barakat.

Chairman Barakat called for each Committee Member and DIA staff present to introduce themselves.

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:

Cliff Miller Advocated for a “showcase zone” which would justify higher spending on architecture; advocated for restoring old buildings before giving attention to new developments

III. OCTOBER 19, 2021 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: Committee Member Froats moved to approve the minutes as presented

Seconded: Committee Member Worsham seconded the motion

Vote: Aye: 4 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 4-0-0.

IV. RESOLUTION 2021-11-05: FORD ON BAY COURTHOUSE DISPOSITION

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) APPROVING THE FRAMEWORK FOR THE TERMS AND CONDITIONS, SCORING CRITERIA AND TIMELINE TO BE INCLUDED IN A NOTICE OF DISPOSITION OF THAT CERTAIN CITY-OWNED PROPERTY COMMONLY REFERRED TO AS THE FORMER COURTHOUSE PROPERTY; AUTHORIZING THE ISSUANCE OF A NOTICE OF DISPOSITION IN ACCORDANCE WITH THE TERMS ESTABLISHED HEREIN; INSTRUCTING ITS CHIEF EXECUTIVE OFFICER (“CEO”) TO TAKE ALL NECESSARY ACTION TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; FINDING THAT THIS RESOLUTION FURTHERS THE BUSINESS INVESTMENT AND DEVELOPMENT (“BID”) PLAN, INCLUDING THE COMMUNITY REDEVELOPMENT AREA PLAN; AND PROVIDING FOR AN EFFECTIVE DATE.

CEO Boyer provided an overview of the resolution, stating that it would authorize the issuance of a Notice of Disposition for the Ford on Bay courthouse site, approving the framework for the terms and conditions, scoring criteria and timeline. **Changes to Exhibit 1:** 1) Issue Notice Date changed to November 19th; and 2) Bid Due Date changed to December 22nd

Joseph Ayers, with CBRE, commented that they have not received any major feedback that would suggest changing the requirements. Adding that, there are developers who are not interested due to the public process while there are others – some of whom are highly regarded – that have shown significant interest.

The committee expressed unanimous support for the resolution.

Chairman Barakat called for a vote.

Motion: Committee Member Ward moved to approve Resolution 2021-11-05 as presented

Seconded: Committee Member Froats seconded the motion

Vote: Aye: 4 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 4-0-0.

V. RESOLUTION 2021-11-01: MOSH 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 GROUND LEASE OF A 2.5 ACRE PARCEL (THE “MUSEUM PARCEL”) OF CITY-OWNED REAL PROPERTY LOCATED WITHIN THE BOUNDARY OF THE PARCEL DEPICTED ON EXHIBIT A ATTACHED HERETO (THE “PROPERTY”) AND COMPRISING A PORTION THE LAND GENERALLY KNOWN AS SHIPYARDS EAST LOCATED BETWEEN GATOR BOWL BOULEVARD AND THE ST. JOHNS RIVER, AND IDENTIFIED BY DUVAL COUNTY TAX PARCEL NUMBER RE#130571-000, (“THE PROPERTY”); EXPRESSING THE INTENTION, ABSENT HIGHER RESPONSIVE OFFERS, TO DISPOSE OF SAID PROPERTY SUBSTANTIALLY IN ACCORDANCE WITH THE NEGOTIATED TERMS ATTACHED HERETO AS EXHIBIT B TO THE MUSEUM OF SCIENCE AND HISTORY (“MOSH”) (THE “DEVELOPER”) SUBJECT TO BOARD APPROVAL AT THE NEXT REGULARLY SCHEDULED MEETING FOLLOWING EXPIRATION OF THE THIRTY DAY NOTICE PERIOD; 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 provided an overview of the resolution, stating that it authorizes the issuance of a Notice of Disposition for a portion of Lot X within the Shipyards. The NOD terms contemplate a civic attraction, museum, or entertainment venue for the site. MOSH is requesting exclusive use of 2.5 acres pursuant to a long-term ground lease, along with the right to host events and program on an additional 1.5 acres and the authority to design the entire 6.86-acre site. The minimum capital investment in the museum will be not less than \$70M, a portion of which may be City funds.

Chairman Barakat called for Committee Member comments, and in order of acknowledgement by the Chair the following discussion occurred:

Responding to question from Committee Member Ward, CEO Boyer stated that the terms established within Exhibit C are binding once the disposition is published. Exhibit B is flexible but must fit within the parameters established in Exhibit C.

Responding to a question from Committee Member Froats, CEO Boyer spoke to how the number of estimated visitors would be determined. Noting that, interested developers would need to demonstrate

experience with civic attractions and the number of visitors would be used for evaluation purposes, not as a performance measure.

Responding to a question from Committee Member Worsham, CEO Boyer commented that MOSH would be responsible for designing the Riverwalk portion of the site and confirmed that they would coordinate their site design with existing design standards, park and riverfront studies, resiliency plans, Hogan's Creek designs, etc., to ensure integration.

Board Member Citrano asked if the board can expect to see a preliminary site design in January. CEO Boyer responded "no," current site designs are conceptual, and the board should not expect preliminary site designs to reflect what the actual site will be. CEO Boyer agreed to distribute the old site plan to board members following the meeting.

CEO Boyer urged the board to keep minimum requirements in place to prevent low-magnitude developments from bidding.

Bruce Fafard, CEO of MOSH, spoke to the number of annual visitors MOSH receives and the number of annual visitors they anticipate after relocating. [*MOSH currently has a 5-year average of 160,000 visitors with a peak of 226,000. Their current projections for the new facility show 440,000 annually by year 3*]. He also provided a summary of where MOSH is in their design process and what their goals are with the site.

The committee agreed to the following:

- Minimum of 100,000 annual visitors for item 7
- Add "cultural" to item 4
- Keep item 6

Chairman Barakat asked CEO Boyer for further comment regarding the 40-year ground lease. CEO Boyer responded that it is the same length of the ground lease that was agreed upon with Iguana for the Shipyards office building. She also noted that the longer ground leases (e.g., 75-year, 99-year) have caused issue in the past.

Committee Member Ward expressed a desire for waterfront activation, such as a kayak launch, and asked that it be considered by the selected developer.

Committee Member Froats asked who will be responsible for the costs [design and construction] of the remaining property outside of the 2.5-acres. CEO Boyer responded that the City has an existing Capital Improvement Project (CIP) for the space and the budget for that would be used to design and construction. MOSH will assist with the design and programming of the space.

Committee Member Worsham expressed concern for having too much space being utilized by surface parking and referenced the 16-bus parking lot (Exhibit B, *Design*, d.)

Chairman Barakat stated he would like more information on the agreement for the design of the park space as well as the overall site plan development. CEO Boyer spoke to the Cost Disbursement

Agreement, stating that there is a cap of \$500,000 on the cost that the City will reimburse to the developer/design firm for the design of the park project and science themed activity node. The funds will come from the existing CIP. She also commented that MOSH will have an easier time with fundraising efforts once they have a definitive location for the project and that a timeline for the site plans could be built into the terms.

Motion: Committee Member Froats moved to approve Resolution 2021-11-01 as amended

Seconded: Committee Member Ward seconded the motion

Vote: Aye: 4 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 4-0-0.

VI. RESOLUTION 2021-11-04: DVI DUVAL GARAGE RETAIL LEASE 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 LEASE OF APPROXIMATELY 20,660 SQUARE FEET OF FIRST FLOOR RETAIL, STORAGE AND LOADING SPACE WITHIN THE DUVAL STREET PARKING GARAGE (THE “LEASED PREMISES”) MORE SPECIFICALLY DEPICTED ON EXHIBIT A ATTACHED HERETO AND COMPRISING A PORTION OF DUVAL COUNTY TAX PARCEL NUMBER RE# 073716 0000, (“THE PROPERTY”); EXPRESSING THE INTENTION TO LEASE SAID PROPERTY IN ACCORDANCE WITH THE NEGOTIATED TERMS TO DOWNTOWN VISION, INC. (“DVI”) (THE “TENANT”) UPON EXPIRATION OF THE THIRTY DAY NOTICE PERIOD ABSENT HIGHER RESPONSIVE OFFERS; APPROVING THE TERMS AND CONDITIONS OF SAID DISPOSITION INCLUDED AS EXHIBIT ‘B’; AUTHORIZING THE DISPOSITION OF THE PROPERTY AND ITS BUILDOUT ON THE TERMS SET FORTH ON EXHIBIT B IF NO ALTERNATIVE RESPONSIVE OFFER IS RECEIVED; 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 NEGOTIATE A LEASE, DISBURSEMENT AGREEMENT AND IF APPROPRIATE A REDEVELOPMENT AGREEMENT AND ASSOCIATED DOCUMENTS; AUTHORIZING THE CEO TO INITIATE THE FILING OF LEGISLATION WITH THE CITY COUNCIL AS MAY BE REQUIRED; AUTHORIZING THE CEO OF THE DIA TO TAKE ALL ACTION NECESSARY TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION, INCLUDING THE EXECUTION OF A REDEVELOPMENT AGREEMENT, LEASE, DISBURSEMENT AGREEMENT OR FUNCTIONAL EQUIVALENTS; PROVIDING FOR AN EFFECTIVE DATE.

CEO Boyer provided an overview of the resolution, stating that it is a proposed 10-year lease, with two 5-year renewal options, of ground level retail space in the Duval Street Garage. DVI plans to use the space for its offices, a meeting room, programming, and a small gift shop open to the public. A Notice of Disposition is required for this lease proposal which would provide others with an opportunity to bid as well.

Chairman Barakat stated for the record that he will be filing a Form 8B.

Committee Member Worsham asked is there a timeline of when DVI [if selected] could move into the building. CEO Boyer responded that it would be in 1 to 1.5 years.

Responding to a question from Committee Member Ward, CEO Boyer stated that DVI may be able to allow artists or startups to use space as they see fit, but it could present a problem if rent were to be collected considering DVI is leasing the space for free.

Motion: Committee Member Worsham moved to approve Resolution 2021-11-04 as presented

Seconded: Committee Member Ward seconded the motion

Vote: Aye: 4 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 4-0-0.

VII. CEO INFORMATIONAL BRIEFING

CEO Boyer stated the following:

- The scoring committee will need to be selected at the December Board meeting
- A revised disposition spreadsheet has been prepared which illustrates the status of the major projects currently in the works
- Advised the board to consider what terms they would like to see for the riverfront plaza pad development and that a disposition is anticipated by February

VIII. ADJOURNMENT

Seeing no further matters for discussion, Chairman Barakat adjourned the meeting at 3:35 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.