



Downtown Investment Authority Agenda

Hybrid Virtual In-Person Meeting
Wednesday, May 19th at 2:00 p.m.

MEMBERS:

Ron Moody, Chairman
Braxton Gillam, Esq, Vice Chairman
Carol Worsham, Secretary
William Adams, Esq., Board Member
Oliver Barakat, Board Member

Jim Citrano, Board Member
Todd Froats, Board Member
Craig Gibbs, Esq., Board Member
David Ward, Esq., Board Member

I. CALL TO ORDER

**Form 8B Reading into the Record*

II. PUBLIC COMMENTS

III. COMMUNITY REDEVELOPMENT AGENCY

- A. April 21, 2021 Community Redevelopment Agency Meeting Minutes
- B. Resolution 2021-05-02: FY 21-22 Northbank Tax Increment District Budget (Lori Boyer, Chief Executive Officer)
- C. Resolution 2021-05-03: FY 21-22 Southside Tax Increment District Budget (Lori Boyer, Chief Executive Officer)
- D. Resolution 2021-05-06: Vista Brooklyn Extension of Completion Due Date (Steve Kelley, Director of Downtown Real Estate and Development)

IV. DOWNTOWN INVESTMENT AUTHORITY

- A. April 21, 2021 Downtown Investment Authority Board Meeting Minutes
- B. Resolution 2021-05-01: FY 21-22 DIA Administrative Budget (Lori Boyer, Chief Executive Officer)
- C. Resolution 2021-05-04: Union Terminal DPRP Term Sheet (Steve Kelley, Director of Downtown Real Estate and Development)
- D. Resolution 2021-05-05: CEO Contract Amendment (Guy Parola, Operations Manager)

V. NEW BUSINESS

- A. Set Workshop Dates for BID/CRA Update

VI. CEO INFORMATIONAL BRIEFING

- A. A 2021 Update

VII. CHAIRMAN REPORT

VIII. ADJOURN

Please be advised that this will be a hybrid virtual in person meeting. Attendees may participate in person or virtually.

PHYSICAL LOCATION

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

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

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

VIRTUAL LOCATION

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

Join Zoom Meeting

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

Meeting ID: 940 7401 7448

Passcode: 642945

One tap mobile

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

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

Find your local number: <https://zoom.us/u/acIhApg5DJ>

TAB III.A

**APRIL 21, 2021 COMMUNITY REDEVELOPMENT AGENCY
MEETING MINUTES**



Downtown Investment Authority
Hybrid Meeting
Wednesday, April 21, 2021 – 2:00 p.m.

Community Redevelopment Agency
MEETING MINUTES

DIA Board Members: Ron Moody, Chairman; Carol Worsham, Secretary; Oliver Barakat; Craig Gibbs, Esq.; David Ward, Esq.; Jim Citrano; Bill Adams, Esq.; and Todd Froats.

DIA Board Members Excused: Braxton Gillam, Esq., Vice Chairman

Mayor's Staff: None

Council Members: Council Member LeAnna Cumber, District 5

DIA Staff: Lori Boyer, Chief Executive Officer; Steve Kelley, Director of Downtown Real Estate and Development; John Crescimbeni, Contract and Regulatory Compliance Manager; Guy Parola, Operations Manager; Lori Radcliffe-Meyers, Redevelopment Coordinator; Ina Mezini, Communication and Marketing Specialist; and Xzavier Chisholm, Administrative Assistant.

Office of General Counsel: John Sawyer, Esq.

I. CALL TO ORDER

Chairman Moody called the CRA Board Meeting to order at 2:00 p.m.

Chairman Moody announced each DIA Board Member and DIA staff present.

II. PUBLIC COMMENTS

Chairman Moody opened the floor to public comment.

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

Carnell Oliver

Downtown Development

III. COMMUNITY REDEVELOPMENT AGENCY MEETING

A. MARCH 17, 2021 COMMUNITY REDEVELOPMENT AGENCY MEETING MINUTES

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

Motion: Board Member Worsham moved to approve the minutes as presented

Seconded: Board Member Ward seconded the motion

Vote: Aye: 8 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 8-0-0.

B. RESOLUTION 2021-04-01: SOUTHSIDE TID FY 20-21 BUDGET AMENDMENT

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY ACTING AS THE SOUTHSIDE COMMUNITY REDEVELOPMENT AGENCY BOARD AMENDING THE FY 2020-21 TAX INCREMENT DISTRICT (“TID”) BUDGET FOR THE SOUTHSIDE CRA PURSUANT TO SEC. 163.387, F.S. AND SEC. 106.341, ORDINANCE CODE; PROVIDING AN EFFECTIVE DATE.

Chairman Moody gave the floor to CEO Boyer to introduce the Resolution.

CEO Boyer gave a brief presentation of the Resolution, stating the following:

- The Resolution deals exclusively with that portion of the tax increment revenue in the Southbank that was Unallocated in the City Adopted Budget for this Fiscal year. The total amount was \$513,471.
- CEO Boyer made recommendations to the Finance and Budget committee on uses for the Unallocated funds.
- The committee recommended \$413,471 for the Southbank parking and relocation of the underground septic tanks.
- CEO Boyer stated that there was discussion about the possible acquisition of an additional park parcel on the Southbank.

CEO Boyer concluded her presentation.

Chairman Moody gave the floor to Board Member Froats to provide an overview of the Finance and Budget Committee’s recommendations and bring the motion to the floor.

- \$2M per year is being set aside to fund the obligation to The District.
- The River City project liability was considered.
- Confirmed the recommendation of \$413,471 for the Southbank parking and relocation of the underground septic tanks.

Motion: Board Member Froats moved to approve Resolution 2021-04-01 as presented, in accordance with the Finance and Budget Committee’s recommendation.

Seeing no further discussion, Chairman Moody called for a vote.

Vote: Aye: 8 Nay: 0 Abstain:

THE MOTION PASSED UNANIMOUSLY 8-0-0

C. RESOLUTION 2021-04-02: COMBINED NORTHSIDE EAST AND NORTHSIDE WEST TID FY 20-21 BUDGET AMENDMENT

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY BOARD OF THE COMBINED NORTHSIDE EAST AND NORTHWEST CRA'S ADOPTING A FY 2020-21 AMENDED TAX INCREMENT DISTRICT ("TID") BUDGET FOR THE COMBINED NORTHSIDE EAST AND NORTHWEST CRA'S PURSUANT TO SEC. 163.387, F.S. AND SEC. 106.341, ORDINANCE CODE; PROVIDING AN EFFECTIVE DATE.

Chairman Moody gave the floor to CEO Boyer to introduce the Resolution.

CEO Boyer provided a brief overview of the Resolution, stating the following:

- \$497,732 in Unallocated funds from the Council approved budget from FY 20-21.
- The Finance and Budget Committee recommended that it be used for Northbank parks and programming.
- Would allow for capital projects and programming

Chairman Moody gave the floor to Board Member Froats to bring forth the Finance and Budget Committee's recommendations.

Board Member Froats stated that the Committee agreed the funding would be best used for parks and programming.

Motion: Board Member Froats moved to approve Resolution 2021-04-21 as presented, in accordance with the Finance and Budget Committee's recommendation.

Chairman Moody opened the floor for discussion.

Board Member Adams suggested coordinating with DVI and other organizations to assist with programming.

Board Member Barakat stated that he is in support but that he is more inclined to using DIA funds toward improving physical infrastructure and brick and mortar projects.

Chairman Moody called for a vote.

Vote: Aye: 8 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 8-0-0

D. RESOLUTION 2021-04-03: RELATED DEVELOPMENT, LLC RDA AMENDMENT

A RESOLUTION AMENDING THE TERMS OF RESOLUTION 2021-01-03 WITH RESPECT TO A DISPOSITION AND REDEVELOPEMENT AGREEMENT BETWEEN THE CITY, THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AND RELATED DEVELOPMENT, LLC (“DEVELOPER”); 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, PURCHASE AND SALE AGREEMENT, OR FUNCTIONAL EQUIVALENTS; PROVIDING FOR AN EFFECTIVE DATE.

Chairman Moody gave the floor Mr. Kelley to introduce the resolution.

Mr. Kelley provided an overview of the Resolution which briefly detailed the modifications made to the agreement with Related Group regarding the redevelopment of the River City Brewing Company site. The REV Grant was increased from \$11,902,028 to \$12,996,885. The change stems from cost increases in building materials and design modifications to the multifamily property that came from feedback from multiple sources. The following details were included:

- Some of the cost increase stems from substantial cost increases in materials
- Total costs of the development increased by over \$6.5M, from \$76M as underwritten to \$82.5M as updated
- Related has elected, at their option, to forego the redevelopment of Dock B at this time
- The structure of the REV Grant did not change; 75% of Annual Project Revenues over 20 years
- The ROI increased from 1.02 to 1.04

Board Member Barakat provided an overview of the committee’s discussion. The committee discussed the cost increase of materials and the DDRB recommendations. The committee noted that the REV Grant increased due to this projected increase in the assessment and that the 25 percent that the City retains also increases which explains the increase in the ROI. The committee voted in favor.

Chairman Moody opened the floor to discussion from the Board.

Mr. Kelley clarified for Board Member Worsham that reconstruction of Dock B was at the option of the applicant (Related), who at this time has elected to forego construction of Dock B. However, they have expressed an interest in its construction in the future. They will focus on the reconstruction of Dock A.

Mr. Kelley clarified for Board Member Worsham that the boat ramp will undergo a design reconfiguration that will allow for a better turning radius, outside of the scope of this project.

CEO Boyer clarified for Board Member Worsham that the bulkhead will undergo repairs and a replacement of the walkway. Repairs to the boat ramp from hurricane damage will take place soon using FEMA funds.

Board Member Citrano stated that he filed a form 8B and confirmed with John Sawyer (OGC) that he is able to vote.

Chairman Moody stated that he had a motion and a second. Seeing no further discussion, Chairman Moody called for a vote on Resolution 2021-04-03 as presented.

Vote: Aye: 8 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 8-0-0

E. RESOLUTION 2021-04-04: REGIONS BANK EDA AMENDMENT

A RESOLUTION AMENDING THE TERMS OF RESOLUTION 2021-01-05 WITH RESPECT TO AN ECONOMIC DEVELOPEMENT AGREEMENT BETWEEN THE CITY, THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AND REGIONS BANK, AN ALABAMA STATE BANKING CORPORATION (“REGIONS”); AUTHORIZING THE CEO OF THE DIA TO TAKE ALL ACTION NECESSARY TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION, INCLUDING THE EXECUTION OF AN ECONOMIC DEVELOPMENT AGREEMENT, OR FUNCTIONAL EQUIVALENT; PROVIDING FOR AN EFFECTIVE DATE.

Chairman Moody gave the floor to Mr. Kelley to introduce the Resolution.

Board Member Froats stated that he has a potential conflict based on personal business with the applicant; Mr. Sawyer stated that he does not have a conflict and is eligible to vote.

Mr. Kelley provided an overview of the Resolution, stating the following:

- No changes in the financial commitment amounts
- Costs associated with HVAC replacement are allowed as matching funds while eligible costs for reimbursement are those transition costs related to the sale of their surface lot to VyStar for construction of the parking lot as approved previously
- The closing date has been changed to May, 2021, or as may be modified in the Performance Schedule
- The timeframe has been changed, now allowing for up to two years from the effective date to utilize the Economic Development Grant

Board Member Barakat provided an overview of the SIC meeting discussion stating that the Board typically does not provide funds for repair and maintenance for buildings that are in good shape. The motivation for this Resolution lies in working with the developer to allow the construction of the VyStar garage and the retail provided on the ground floor to move forward. The committee noted that it is cautious of setting a precedent but ultimately approved of the Resolution due to the bigger picture.

Chairman Moody stated that he had a motion and a second from the SIC committee for Resolution 2021-04-04.

Chairman Moody opened the floor for discussion.

Board Member Adams stated the committee’s caution was well founded and stated his support of the Resolution.

Chairman Moody stated that he had a motion and a second. Seeing no further discussion, Chairman Moody called for a vote on Resolution 2021-04-04 as presented.

Vote: Aye: 8 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 8-0-0

ADJOURNMENT: The Community Redevelopment Agency proceedings are adjourned at 2:40 p.m.

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

TAB III.B

**RESOLUTION 2021-05-02 FY 21-22 NORTHBANK TAX INCREMENT DISTRICT
BUDGET**

RESOLUTION 2021-05-02

RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY AS THE COMMUNITY REDEVELOPMENT AGENCY FOR THE COMBINED NORTH BANK COMMUNITY REDEVELOPMENT AREA TENTATIVELY ADOPTING FISCAL YEAR 2021-2022 BUDGETS FOR THE COMBINED DOWNTOWN EAST AND NORTHWEST TAX INCREMENT DISTRICT; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Downtown Investment Authority (“DIA”) is the Community Redevelopment Agency for the North Bank Community Redevelopment Area pursuant to Ordinance 2012-0364; and

WHEREAS, as the Community Redevelopment Agency, the DIA is responsible for developing, approving, and implementing the budget for the Combined North Bank Community Redevelopment Area; and

WHEREAS, Pursuant to Section 106.204(c), Jacksonville Ordinance Code, the budgets for Community Redevelopment Agencies are not due until June 20 in order to allow time for revenue projections to be developed, however the City has requested tentative budget submissions by May 7; and

WHEREAS, the Finance and Budget Committee of DIA held a public meeting May 7, 2021, where they unanimously voted to tentatively approve the Combined Downtown East and Northwest Tax Increment District Budget, attached hereto as Exhibit A; and

WHEREAS, a revised budget will be presented to the Board in June for final consideration if revenue or expense numbers change from the budget adopted hereby; and

WHEREAS, if the Unallocated Plan Authorized Services remain in excess of \$1 million, a recommendation for allocation will be addressed at the June meeting; and

WHEREAS, in order to promote economic development, private capital investment and otherwise fulfill the DIA’s purposes, the attached budget for Fiscal Year 2021-2022 is to be submitted by the DIA’s Chief Executive Officer for initial budget input and unless modified in June, for consideration by the Mayor’s Budget Review Committee and the Jacksonville City Council,

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

Section 1. The Combined Downtown East and Northwest Tax Increment District budget for Fiscal Year 2021-2022 attached hereto as Exhibit ‘A’ is hereby adopted by the DIA.

Section 2. The CEO is authorized to submit this budget and make necessary changes thereto as required by the Budget Office to reflect supervisory cost allocations as determined by the City.

Section 3. The NB Combined TID budget will be brought back to the Board in June, prior to MBRC, for consideration of changes in revenue and re-allocation for expenses and programs.

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

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Ron Moody, Chairman

Date

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

Combined Northbank CRA FY 21 / 22 Budget	FY 20 / 21 COUNCIL ADOPTED		FY 21 / 22 PROPOSED
Revenue		Actual	
Ad Valorem Revenue	9,438,274.00	TBD	9,721,422.22
Northwest TID	6,081,017.00	TBD	6,263,447.51
Northeast TID	3,357,257.00	TBD	3,457,974.71
Debt Repayment (Lynch 11-E)	595,247.00	595,247.00	595,247.00
Debt Repayment (Carling Loan)	506,487.00	506,487.00	506,487.00
Investment Pool Earnings*	-	-	350,000.00
JTA Repayment	-	-	-
Total Revenue:	10,540,008.00		11,173,156.22
Administrative Expenditures		Actual	
ANNUAL INDEPENDENT AUDIT	2,500.00	2,500.00	2,500.00
SUPERVISION ALLOCATION	773,696.00	773,696.00	841,906.88
Total Administrative Expenditures:	776,196.00	776,196.00	844,406.88
Financial obligations		Actual	
Hallmark / 220 Riverside (leg: 2012-270)	399,502.00	380,232.00	397,533.36
Pope & Land / Brooklyn (leg: 2012-703; 2013-288)	397,572.00	374,613.78	386,822.75
Lofts at Jefferson Station (DIA resolution 2017-10-05)	157,000.00	69,844.84	72,217.43
MPS Subsidy Downtown Garages	5,000,000.00	TBD	5,200,000.00
Parking Lease - JTA / Fidelity	-	-	-
Lynch Bldg. Loan Repayment	800,000.00	800,000.00	800,000.00
Total Financial Obligations:	6,754,074.00		6,856,573.54
Future Year Debt Reduction	-	Revised Budget	-
NB Future Year Debt Reduction	-	-	-
Plan Authorized Expenditures		Revised Budget	
Plan programs			
NB RETAIL ENHANCEMENT	400,000.00	400,000.00	-
NB WATERFRONT ACTIVATION	100,000.00	100,000.00	-
NB DEVELOPMENT LOANS	-	-	-
NB FAÇADE GRANT PROGRAM	262,006.00	262,006.00	-
NB URBAN ART	-	-	500,000.00
NB UNALLOCATED PLAN AUTHORIZED EXPENDITURES**	497,732.00	-	1,015,602.26
NB MARKETING	100,000.00	100,000.00	200,000.00
NB DOWNTOWN PARKS AND PROGRAMMING (NEW)***	-	497,732.00	400,000.00
Plan Capital Projects			
NB TWO WAY CONVERSION - FORSYTH & ADAMS	1,500,000.00	1,500,000.00	856,573.54
HISTORIC SHOTGUN HOUSES REHABILITATION (NEW)	-	-	250,000.00
Plan Professional Services			
PROFESSIONAL SERVICES	50,000.00	50,000.00	250,000.00
BID AND CRA PLAN UPDATE	100,000.00	100,000.00	-
Total Plan Authorized Expenditures:	2,909,738.00		3,472,175.80
TOTAL EXPENDITURES	10,540,008.00		11,173,156.22
TOTAL REVENUES LESS TOTAL EXPENDITURES			-

*Appropriated as "Unallocated Plan Authorized Expenditures", reconized in FY 21-22

**Resolution 2021-04-02, BT FY 20-21 \$497,732 to NB Downtown Parks and Programming

***Resolution 2021-04-02, BT FY 20-21 \$497,732 from NB Unallocated Plan Authorized Expenditures

TAB III.C

**RESOLUTION 2021-05-03 FY 21-22 SOUTHSIDE TAX INCREMENT DISTRICT
BUDGET**

RESOLUTION 2021-05-03

RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY AS THE COMMUNITY REDEVELOPMENT AGENCY FOR THE SOUTHSIDE COMMUNITY REDEVELOPMENT AREA TENTATIVELY ADOPTING FISCAL YEAR 2021-2022 BUDGET FOR THE SOUTHSIDE TAX INCREMENT DISTRICT; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Downtown Investment Authority (“DIA”) is the Community Redevelopment Agency for the Southside Community Redevelopment Area pursuant to Ordinance 2012-0364; and

WHEREAS, as the Community Redevelopment Agency, the DIA is responsible for developing, approving and implementing the budget for the Southside Community Redevelopment Area; and

WHEREAS, pursuant to Section 106.204(c), Jacksonville Ordinance Code, the budget for Community Redevelopment Agencies are not due until June 20 in order to allow time for revenue projections to be developed, however the City has requested tentative budget submissions by May 7; and

WHEREAS, the Finance and Budget Committee of DIA held a public meeting May 7, 2021, where they unanimously voted to tentatively approve the Combined Downtown East and Northwest Tax Increment District Budget, attached hereto as Exhibit A; and

WHEREAS, a revised budget will be presented to the Board in June for final consideration if revenue or expense numbers change by more than \$200,000 from the budget adopted hereby; and

WHEREAS, in order to promote economic development, private capital investment and otherwise fulfill the DIA’s purposes, the attached budget for Fiscal Year 2021-2022 is to be submitted by the DIA’s Chief Executive Officer for initial budget input and unless modified in June, for consideration by the Mayor’s Budget Review Committee and the Jacksonville City Council,

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

Section 1. The Southside Tax Increment District budget for Fiscal Year 2021-2022 attached hereto as Exhibit ‘A’ is hereby adopted by the DIA.

Section 2. The CEO is authorized to submit this budget and make necessary changes thereto as required to reflect changes in actual FY22 revenue projections and FY 21 interest income with an adjusting entry in the Unallocate Plan Authorized Expenditures category to the extent that the aggregate increase or decrease in revenue is no more than \$200,000.

Section 3. The CEO is authorized to submit this budget and make necessary changes thereto as required by the Budget Office to reflect supervisory cost allocations and ad valorem revenue as determined by the City; with an adjusting change in the Unallocated Plan Authorized Expenditures as required without further Board approval.

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

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Ron Moody, Chairman

Date

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

1	Southside CRA FY 21 / 22 Budget	FY 20 / 21 COUNCIL ADOPTED		FY 21 / 22 PROPOSED
2	Revenue		Actual	
3				
4	Ad Valorem Revenue	5,618,309.00	TBD	5,786,858.27
5	Investment Pool Earnings (All Years)*	-	-	350,000.00
6	Total Revenue:	5,618,309.00		6,136,858.27
7				
8	Administrative Expenditures			
9	ANNUAL INDEPENDENT AUDIT	2,500.00	2,500.00	2,500.00
10	SUPERVISION ALLOCATION	326,684.00	326,684.00	336,484.52
11	Total Administrative Expenditures:	329,184.00	329,184.00	338,984.52
12				
13	Financial Obligations		Actual	
14	THE STRAND (REV) 2001-1329	496,006.00	471,853.93	508,750.33
15	THE PENINSULA (REV) 2001-1329	703,054.00	666,703.02	67,023.13
16	GI-VP ONE CALL	100,000.00	-	100,000.00
17	SUNGARD (REV)2015-780	13,244.00	18,421.29	14,749.28
18	HOME STREET APARTMENTS	145,000.00	169,254.36	174,790.41
19	THE DISTRICT	2,000,000.00	2,000,000.00	3,000,000.00
20	STRAND BONDS INTEREST	171,350.00	171,350.00	161,500.00
21	STRAND BONDS PRINCIPAL	197,000.00	197,000.00	207,000.00
22	Total Financial Obligations:	2,368,350.00		4,233,813.15
23				
24	Future Year Debt Reduction		Revised Budget	
25	SS Future Year Debt Reduction	250,000.00	250,000.00	-
26				
27	Plan Authorized Expenditures		Revised Budget	
28	Plan programs			
29	SS RETAIL ENHANCEMENT	250,000.00	250,000.00	-
30	SS UNALLOCATED PLAN AUTHORIZED EXPENDITURES	513,471.00	100,000.00	614,061.00
31	SS Parks and Programming (NEW)			200,000.00
32	Plan Capital Projects			
33	SS SOUTHBANK PARKING	350,000.00	763,471.00	550,000.00
34	Plan Professional Services			
35	PROFESSIONAL SERVICES	50,000	50,000.00	200,000
36	BID AND CRA PLAN UPDATE	50,000	50,000.00	-
37	Total Plan Authorized Expenditures:	1,213,471		1,564,061
38	TOTAL EXPENDITURES	5,618,309.00		6,136,859
39	TOTAL REVENUES LESS TOTAL EXPENDITURES	-		(0)

*Appropriated as "Unallocated Plan Authorized Expenditures", recognized in FY 21-22

TAB III.D

**RESOLUTION 2021-05-06 VISTA BROOKLYN EXTENSION OF COMPLETION DUE
DATE**

RESOLUTION 2021-05-06

RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AUTHORIZING A SIX (6) MONTH COMPLETION DATE EXTENSION AS AUTHORIZED IN THE REDEVELOPMENT AGREEMENT, AS AMENDED, BETWEEN THE CITY OF JACKSONVILLE AND HP-BDG 200 RIVERSIDE, LLC, FOR THAT MIXED RESIDENTIAL PROJECT KNOWN AS VISTA BROOKLYN; AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO TAKE ALL NECESSARY ACTION TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Redevelopment Agreement, as amended, was authorized by the Downtown Investment Authority via their adoption of Resolution 2014-10-01 and by City Council via adoption of Resolution 2014-748; and

WHEREAS, a Redevelopment Agreement was entered into by the City of Jacksonville and HP-BDG 200 Riverside, LLC, on July 21, 2015, for the construction of a mixed-use residential development known as Vista Brooklyn; and

WHEREAS, the Redevelopment Agreement was amended and restated in May of 2017; and

WHEREAS, as part of the aforementioned Redevelopment Agreement, Article 3, section 3.1 memorialized a performance schedule requiring the Development obtain a building permit within 24 months of the effective date of the Amended and Restated Redevelopment Agreement and completed within 30 months after the issuance of a building permit; and

WHEREAS, Article 3, section 3.1 of the Amended and Restated Redevelopment Agreement permits by action of the DIA Board an up-to six (6) month extension of the performance schedule; and

WHEREAS, a building permit was issued on November 29, 2018; and

WHEREAS, thirty (30) months from November 29, 2018 is May 29, 2021; and

WHEREAS, the developer has requested a six (6) month extension of the May 29, 2021 project completion date; and

WHEREAS, the developer has and is proceeding diligently with the construction and completion of the project,

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

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

Section 2. The DIA hereby authorizes a six (6) month extension of the completion date from May 29, 2021 to November 29, 2021.

Section3. The DIA authorizes its Chief Executive Officer to take all action necessary to effectuate the purpose of this Resolution.

Section 3. This Resolution shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Ron Moody, Chairman

Date

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

TAB IV.A

**APRIL 21, 2021 DOWNTOWN INVESTMENT AUTHORITY
BOARD MEETING MINUTES**



Downtown Investment Authority
Hybrid Meeting
Wednesday, April 21, 2021 – 2:40 p.m.

Downtown Investment Authority
MEETING MINUTES

DIA Board Members: Ron Moody, Chairman; Carol Worsham, Secretary; Oliver Barakat; Craig Gibbs, Esq.; David Ward, Esq.; Jim Citrano; Bill Adams, Esq.; and Todd Froats.

DIA Board Members Excused: Braxton Gillam, Esq., Vice Chairman

Mayor's Staff: None

Council Members: Council Member LeAnna Cumber, District 5

DIA Staff: Lori Boyer, Chief Executive Officer; Steve Kelley, Director of Downtown Real Estate and Development; John Crescimbeni, Contract and Regulatory Compliance Manager; Guy Parola, Operations Manager; Lori Radcliffe-Meyers, Redevelopment Coordinator; Ina Mezini, Communication and Marketing Specialist; and Xzavier Chisholm, Administrative Assistant.

Office of General Counsel: John Sawyer, Esq.

CALL TO ORDER: Chairman Moody called to order the Downtown Investment Authority Board Meeting at 2:40 p.m.

IV. DOWNTOWN INVESTMENT AUTHORITY MEETING

A. MARCH 17, 2021 DOWNTOWN INVESTMENT AUTHORITY BOARD MEETING APPROVAL OF THE MINUTES.

Seeing no comments, Chairman Moody called for a motion.

Motion: Board Member Citrano moved to approve the minutes as presented

Seconded: Board Member Gibbs seconded the motion

Seeing no comments, Chairman Moody called for a vote.

Vote: Aye: 8 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 8-0-0

B. RESOLUTION 2021-04-05: DOWNTOWN VISION, INC. FY 21-22 BUDGET

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY RECOMMENDING THAT THE JACKSONVILLE CITY COUNCIL APPROVE THE CITY'S FINANCIAL CONTRIBUTION TO DOWNTOWN VISION, INC. ("DVI") AS IDENTIFIED IN DVI'S 2021-2022 BUDGET; RECOMMENDING THAT THE JACKSONVILLE CITY COUNCIL APPROVE DVI'S 2021-2022 ANNUAL BUDGET INCLUDED IN EXHIBIT 'A'; PROVIDING FOR AN EFFECTIVE DATE.

Chairman Moody gave the floor to CEO Boyer to introduce the Resolution.

CEO Boyer provided an overview of the Resolution, stating the following:

- DVI submits their budget to the DIA annually for recommendations.
- The budget has been approved by the DVI board.
- It assumes the geographic expansion and the expansion to residential properties is approved by City Council. The legislation should be filed within two weeks.
- The budget office is requesting that DVI provide alternate budgets – one if the aforementioned legislation is approved and one if it is not.

Jake Gordon, CEO of DVI, gave a brief presentation on DVI business and budget highlights.

Chairman Moody opened the floor for discussion.

Mr. Gordon clarified for Board Member Worsham that the \$1.3M for Professional Fees and Contract Services is primarily the expanded Ambassador contract.

Board Member Barakat stated that he has a potential conflict as he is a Board Member of DVI. Mr. Sawyer confirmed that he is able to vote with the filing of a form 8B.

Discussion occurred regarding the potential for continued growth in revenues.

Motion: Board Member Worsham moved to approve Resolution 2021-04-05 as presented

Seconded: Board Member Gibbs seconded the motion

Chairman Moody called for a vote.

Vote: Aye: 8 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 8-0-0

C. RESOLUTION 2021-04-06: SALE OF SURPLUS WATER QUALITY COMPENSATORY CREDITS

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AUTHORIZING THE SALE OF UP TO 0.25 ACRE OF SURPLUS WATER QUALITY COMPENSATORY CREDITS TO CRONK DUCH ARCHITECTURE (“DEVELOPER”) FOR USE ON CERTAIN PROPERTY IDENTIFIED BY DUVAL COUNTY TAX PARCEL 090037 0010 (“PROPERTY”); INSTRUCTING THE CHIEF EXECUTIVE OFFICER (“CEO”) TO TAKE ALL NECESSARY ACTION TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

Chairman Moody gave the floor to Mr. Parola to introduce the Resolution.

Mr. Parola provided a brief summary of the Resolution, stating the following:

- It is a relatively small piece of property that is looking for up to a quarter-acre of surplus water compensatory credits.
- Per the formula laid out in the ordinance code, one acre is \$35,000. A quarter of that is roughly \$8,700.
- There are roughly 170 credit acres left.

Chairman Moody called for a motion.

Motion: Board Member Worsham moved to approve Resolution 2021-04-06 as presented

Seconded: Board Member Froats seconded the motion

Chairman Moody opened the floor for discussion.

Chairman Moody called for a vote.

Vote: Aye: 8 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 8-0-0

D. RESOLUTION 2021-04-07: CONTRIBUTION TO JESSIE DUPONT FUND DOWNTOWN PARKS STUDY

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) PROVIDING FOR A SIXTY THOUSAND DOLLAR (\$60,000.00) CONTRIBUTION TO THE JESSIE BALL DUPONT FUND TO SUPPORT A COLLABORATIVE RIVERFRONT PARKS STUDY; INSTRUCTING ITS

CHIEF EXECUTIVE OFFICER TO TAKE ALL NECESSARY ACTIONS TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

Chairman Moody gave the floor to CEO Boyer to introduce the Resolution.

CEO provided the following overview:

- DuPont has committed in excess of \$200,000 to developing a master plan of public parks and how they connect.
- The study aims to use an integrated and holistic approach to bring about a programmatic use of Jacksonville park spaces.
- Costs for the study have gone up.
- The Resolution is a request to transfer funds previously set aside for professional services – the hire of an independent auditor for the MPS litigation – over to a contribution to a private organization to assist with the increased costs that DuPont is incurring.

Motion: Board Member Gibbs moved to approve Resolution 2021-04-07 as presented

Seconded: Board Member Citrano seconded the motion

Chairman Moody opened the floor for discussion.

CEO Boyer clarified for Board Member Worsham that DuPont has been in communication with the DIA regarding the direction and scope of the study, and that the study will not present a conflict with other DIA initiatives. The study will bring valuable information and will be a vital tool that the DIA can draw upon in the future.

CEO Boyer clarified for Board Member Worsham that we have a timeline for the study. Some portions will be completed by June and other portions will not be completed until August or September.

Board Member Adams asked whether DuPont is making other efforts to bridge the funding gap.

CEO Boyer stated for Board Member Adams that she is not aware of the funding sources for the DuPont study but that there are a number of downtown businesses that are stakeholders.

CEO Boyer clarified for Board Member Barakat that the DuPont study will include a number of concepts for the potential park development of the Shipyards and how it could work in conjunction with other private developments in the area.

CEO Boyer stated for Board Member Barakat and Board Member Ward that the DIA would be able to use the design plans from this study as a conceptual level vision for what park space might look like. The study would also provide a variety of ideas about different types of Riverwalk installations and allow for the pricing and phase in of a complete development of the park system that ties together the Central Core area down to the Sports and Entertainment area.

Chairman Moody called for a vote.

Vote: Aye: 8 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 8-0-0

V. NEW BUSINESS

CEO Boyer stated for the board that next month the Chair will be appointing a nominating committee.

Chairman Moody stated that he would like Board Members Gibbs, Barakat, and Adams to consider serving on the nominating committee.

VI. CEO INFORMATION BRIEFING

CEO Boyer provided the following updates:

- The two Notice of Dispositions – LaVilla townhomes and Berkman Marina Riparian Easement – will close on the 23rd. Any new offers will be brought to the board at next month's meeting.
- The Hatfield façade Grant has been signed.
- The Doro project has commenced.
- A demonstration of the projection on Times Union Performing Arts Center will take place May 6th at 8:00 p.m.
- BID/CRA
 - A draft of the market feasibility study has been completed. When the study has been finalized it will be presented to the board.
 - Task 1 – Stakeholder and DDRB member outreach has taken place.
 - Task 4 – Public meetings as well as the DIA board member outreach beginning in May.
 - District branding – stakeholder outreach through surveys has taken place.
 - Discussion of potential incentives for small residential properties, commercial leasing, riverfront restaurants, and downtown grocers.

CEO Boyer stated for Board Member Worsham that she envisions one or two workshops to facilitate input.

CEO Boyer concluded her briefing.

VII. CHAIRMAN REPORT

No report from Chairman Moody.

Chairman Moody thanked DIA Board and Staff members.

VIII. ADJOURN

ADJOURNMENT: There being no further business, Chairman Moody adjourned the meeting at 3:21 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.B

RESOLUTION 2021-05-01 FY 21-22 DIA ADMINISTRATIVE BUDGET



Downtown Investment Authority

MEMORANDUM

TO: Governing Board for the Downtown Investment Authority (DIA)

THRU: Ron Moody, Chair

FROM: Lori Boyer, Chief Executive Officer

SUBJECT: Resolution 2021-05-01 – A Resolution of the Downtown Investment Authority Recommending to City Council Approval of FY 21-22 Administrative Budget

DATE: May 5, 2021

Each year, as part of the City’s annual budget, a DIA Administrative Budget is included and funded by the General Fund. It is notable that, as shown in each of the CRA Budgets, there is a line item expense for supervisor allocations that are paid to the General Fund as a means to offset the Administrative Budget expenses. That said, as part of the Administrative Budget there are several category of expenses that DIA may request be included (note: there are other expenses that are imposed on the DIA Administrative Budget as internal service charges that are beyond the budgetary control of DIA, such as cost of benefits and General Counsel legal services). Below please find a summary of the expenses recommended that the DIA Governing Board approve and further recommend that City Council include those expenses as part of DIA’s Administrative Budget. On Page 2 of this memorandum, please find a breakdown of intended professional services.

ITEM	FY 21 ADOPTED	FY 22 PROPOSED	DIFFERENCE
PROFESSIONAL SERVICES	\$500,000	\$390,000	-\$110,000
TRAVEL	\$15,000	\$15,000	\$0
ADVERTISING & PROMOTION	\$35,000	\$35,000	\$0
EVENT CONTRIBUTION	\$20,000	\$127,500	\$107,500
MISC. SERVICES & CHARGES	\$3,000	\$3,000	\$0
OFFICE SUPPLIES	\$5,000	\$5,000	\$0
FOOD & BEVERAGE	\$750	\$750	\$0
DUES, SUBSCRIPTIONS	\$9,096	\$10,114	\$1,018
EMPLOYEE TRAINING	\$3,675	\$3,675	\$0
OFFICE SUPPLIES - PRINTERS/COPIERS	\$1,500	\$1,500	\$0
FURNITURE / EQUIP. UNDER \$1,000	\$1,000	\$1,000	\$0
SALARIES - PART TIME HOURS	\$0	\$0	\$1
SUBSIDIES AND CONTRIBUTIONS	\$0	\$500	\$500
	\$594,021	\$593,039	-\$981

FY 21-22 Professional Services Detail

Meeting Minutes and Transcription Services	Records for DDRB, DIA and committees	20,000
Research, Special Projects, other professional services	Professional services as will be identified by the DIA in furtherance of promoting economic development and furtherance of the BID and CRA Plans	220,000
Misc, Appraisals, Environmental monitoring, and other services	Services as required to maintain environmental monitoring requirements, appraisals for property disposition, etc.	100,000
Real Estate and Development Review Continuing Service	Real estate services (e.g., brokerage) and continuing (i.e. on demand) services for lobbying, analysis, and other supplemental services	50,000

Exhibit 'A' to Resolution 2021-05-01 is the DIA Administrative Budget as currently proposed, inclusive of salaries and internal service charges.

Exhibit 'B' to Resolution 2021-05-01 are enhancements

RESOLUTION 2021-05-01

RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) ADOPTING THE FISCAL YEAR 2021-2022 ADMINISTRATIVE BUDGET FOR THE DOWNTOWN INVESTMENT AUTHORITY; REQUESTING A BUDGET ENHANCEMENT; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City has requested tentative budget submissions from all Departments by May 7; and

WHEREAS, Departmental requests for increases in budgets or personnel cannot be entered into the accounting software as part of such submission but must be presented separately to the Mayor’s Budget Review Committee in June; and

WHEREAS, the Finance and Budget Committee of DIA held a public meeting May 7, 2021, where they unanimously voted to approve the DIA Administrative Budget attached hereto as Exhibit A; and

WHEREAS, the Finance and Budget Committee of DIA further recommended the budget enhancement described on Exhibit B attached hereto; and

WHEREAS, in order to promote economic development, private capital investment and otherwise fulfill the DIA’s purposes, the attached budget for Fiscal Year 2021-2022 and the Enhancement Request are to be submitted by the DIA’s Chief Executive Officer for consideration by the Mayor’s Budget Review Committee and the Jacksonville City Council,

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

Section 1. The DIA Administrative budget for Fiscal Year 2021-2022 attached hereto as Exhibit ‘A’ is hereby adopted by the DIA.

Section 2. The DIA Enhancement Request attached hereto as Exhibit B is hereby recommended by the DIA Board.

Section 3. The CEO is authorized to submit this budget and make necessary changes thereto as required by the Budget Office to reflect supervisory cost allocations and other internal allocations as determined by the City without further Board approval.

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

[SIGNATURES ON FOLLOWING PAGE]

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Ron Moody, Chairman

Date

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

RESOLUTION 2021-05-01

EXHIBIT 'A'

	Adopted Budget FY 21-22	FY 21-22 Proposed Budget**	Difference
512010:Permanent and Probationary Salaries*	\$ 715,008	\$ 702,910	\$ (12,098)
513020:Terminal Leave	\$ -	\$ -	\$ -
513060:Salaries Part Time	\$ 1	\$ 1	\$ -
515110:Special Pay - Pensionable	\$ 2,624	\$ 1,550	\$ (1,074)
521020:Medicare Tax	\$ 10,435	\$ 10,251	\$ (184)
522010:Pension Contribution	\$ 5,586	\$ -	\$ (5,586)
522011:GEPP DB Unfunded Liability	\$ 27,009	\$ -	\$ (27,009)
522070:Disability Trust Fund-ER	\$ 2,152	\$ 2,113	\$ (39)
522130:GEPP Defined Contribution DC-ER	\$ 77,080	\$ 76,461	\$ (619)
523010:Group Dental Plan	\$ 1,080	\$ 1,236	\$ 156
523030:Group Life Insurance	\$ 2,039	\$ 2,480	\$ 441
523040:Group Hospitalization Insurance	\$ 43,643	\$ 46,771	\$ 3,128
524001:City Employees Worker's Compensation	\$ 2,641	\$ 2,641	\$ -
531090:Other Professional Services	\$ 500,000	\$ 390,000	\$ (110,000)
540020:Travel Expense	\$ 15,000	\$ 15,000	\$ -
545020:General Liability Insurance	\$ 3,291	\$ 3,291	\$ -
548010:Advertising and Promotion	\$ 35,000	\$ 35,000	\$ -
549021:Event Contribution	\$ 20,000	\$ 127,500	\$ 107,500
549040:Miscellaneous Services & Charges	\$ 3,000	\$ 3,000	\$ -
549504:ISA-Building Cost Allocation - St James	\$ 19,788	\$ 19,788	\$ -
549510:ISA-Computer Sys Maint&Security	\$ 80,879	\$ 80,879	\$ -
549511:ISA-Copier Consolidation	\$ 2,941	\$ 2,941	\$ -
549512:ISA-Copy Center	\$ 6,482	\$ 6,482	\$ -
549527:ISA-ITD Replacements	\$ 4,740	\$ 4,740	\$ -
549529:ISA-Mailroom Charge	\$ 3,241	\$ 3,241	\$ -
549532:ISA-OGC Legal	\$ 691,219	\$ 691,219	\$ -
551010:Office Supplies - Other	\$ 5,000	\$ 5,000	\$ -

*Actual FY 21-22 will increase to above FY 20-21 budgeted amount to reflect organizational changes (e.g., new hire)

**DIA Administrative Budget Internal service charges and other expenses are determined by Budget Office as part of the overall City budget.

RESOLUTION 2021-05-01

EXHIBIT 'A'

	Adopted Budget FY 21-22	FY 21-22 Proposed Budget**	Difference
551040:Office Supplies - Printers&Copiers	\$ 1,500	\$ 1,500	\$ -
552060:Food	\$ 750	\$ 750	\$ -
552080:Furniture & Equipment Under \$1,000	\$ 1,000	\$ 1,000	\$ -
554001:Dues and Subscriptions	\$ 9,096	\$ 10,114	\$ 1,018
555001:Employee Training Expenses	\$ 3,675	\$ 3,675	\$ -
563020:Capital Improvements Other Than Buildings	\$ 1	\$ 1	\$ -
564030:Office Equipment	\$ 1	\$ 1	\$ -
582001:Subsidies and Contributions to Private Organization*	\$ -	\$ 500	\$ 500
Total Expenses	\$ 2,295,902	\$ 2,252,036	\$ (43,866)
Credit Against Expenses			
599902:Supervision Allocated	\$ (1,244,228)	\$ (1,178,391)	

*DIA Board approved a BT of FY 20-21 Professional Service Dollars to Subsidies and Contributions to Private Organization in April 2021

**DIA Administrative Budget Internal service charges and other expenses are determined by Budget Office as part of the overall City budget.

Top priority Enhancement Position requested:

PROJECT MANAGER, DIA

Class Title

PROJECT MANAGER, DIA

Class Code**Salary**

\$ (65-70,000 actual?) 50,810 - 85,547 range in existing Job Specification online

Job Description

This position reports to the CEO of the DIA and is responsible for overseeing various Downtown programs and incentives, particularly those targeting small businesses, and for policy coordination and implementation for the Office of Public Parking. This position is responsible for review and analysis of applications received for smaller incentive programs as well as business development for such economic development programs. Primary responsibilities include the following:

Examples of Work

- Promotes existing incentive programs for small businesses and property owners through outreach to targeted properties and businesses
- Meets with downtown retail and small businesses and or new business prospects to assist them to either expand their business or locate a new business in Downtown and determine the level of public assistance that may be available and necessary to assist them
- Analyzes applications for various incentive requests, evaluates construction budgets and business plans and drafts recommendations for proposed projects to be considered by the CEO and Board and makes presentations to the DIA Board.
- Identifies and evaluates opportunities to provide additional economic resources to assist in the development of downtown
- Serves as liaison with businesses requesting assistance, consultants, developers, private organizations, public agencies and City staff regarding proposed job creation and development projects.
- Works with legal counsel to craft redevelopment agreements incorporating the obligations of the parties and the timeframe for completion.
- Works with legal counsel to craft the enabling legislation necessary to obligate the City and appropriate the funding required to fulfill the obligations required by the development agreement.
- Assists Director of Downtown Real Estate and Development on an as-needed basis
- Coordinates intra-governmental efforts related to small scale redevelopment projects with other departments.

Exhibit B to Resolution 2021-05-01

Top priority Enhancement Position requested:

- Oversees implementation of parking study recommendations, including RFP's, legislation, rates, shuttles, etc. to better serve Downtown businesses and residents.
- Provides policy coordination and strategy for new parking and transit initiatives.
- Communicates clear direction, manages for results, and leads organizational change.
- Assigns responsibility, takes corrective action, demonstrates leadership in evaluating, developing, and motivating employees.

Knowledge, Skills and Abilities

- Knowledge of basic financial analysis, business plans and finance are necessary to negotiate and underwrite the incentive component of the job.
- Knowledge and use of personal computers, Microsoft Office applications, word processing, project management and presentation skills required.
- Candidate must possess strong written and oral skills; must possess the ability to present projects for consideration clearly and concisely in both written and oral form.
- Ability to plan, schedule and coordinate in an effective manner projects involving other city departments and outside agencies in a timely manner.
- Candidate must possess strong interpersonal skills and ability to work both independently and collaboratively in a team environment.
- Ability to perform technical research and basic ability to read site plans and construction drawings

Open Requirements/Supplemental Information

- A bachelor's degree from an accredited institution in business administration, planning, economics, finance, land use planning or other business or planning related field and a four-year combination of professional experience in the field of economic development, business administration, downtown development, real estate development, land use planning, urban redevelopment, financial analysis and contract/project management required.

NOTE:

This is an appointed position

TAB IV.C

RESOLUTION 2021-05-04 UNION TERMINAL DPRP TERM SHEET

RESOLUTION 2021-05-04

RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) APPROVING A DOWNTOWN PRESERVATION AND REVITALIZATION PROGRAM (“DPRP”) CONSISTING OF AN HISTORIC PRESERVATION, RESTORATION, AND REHABILITATION FORGIVABLE LOAN; A CODE COMPLIANCE FORGIVABLE LOAN; AND A DPRP DEFERRED PRINCIPAL LOAN WITH EAST UNION HOLDINGS, LLC (“DEVELOPER”) FOR REDEVELOPMENT AND REHABILITATION OF THAT PROPERTY COMMONLY REFERRED TO AS THE “UNION TERMINAL WAREHOUSE”; THE AMOUNTS AND TERMS OF THE FORGIVABLE LOANS AND DEFERRED PRINCIPAL LOAN ARE ATTACHED HERETO AS EXHIBIT ‘A’ (“TERM SHEET”); AUTHORIZING THE DIA CHIEF EXECUTIVE OFFICER (“CEO”) TO TAKE ALL ACTIONS, INCLUDING THE FILING OF LEGISLATION, AND THE EXECUTION OF CONTRACTS, AGREEMENTS AND OTHER DOCUMENTS AS ARE NECESSARY TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

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

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

WHEREAS, the DPRP was created by Ordinance 2020-0527-E for purpose of fostering the preservation and revitalization of unoccupied, underutilized, and/or deteriorating historic buildings; and

WHEREAS, via Ordinance 2021-0139-E, the Union Terminal Warehouse (“Property”) was designated as a local historic landmark; and

WHEREAS, the Developer is redeveloping the Property as a mixed-use residential development, which will include a minimum of 220 workforce residential units, and 38,000 square feet of commercial space and maker/artist studios, collectively referred herein as the “Project”; and

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

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

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

Section 2. The DIA hereby approves the attached Exhibit 'A', Term Sheet

Section 3. The DIA authorizes its CEO to take all necessary action, including the filing of legislation and the execution of contracts, agreements and other documents as may be necessary to effectuate the purposes of this Resolution 2021-05-04.

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

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Ron Moody, Chairman

Date

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

Exhibit A:

**DOWNTOWN PRESERVATION AND REVITALIZATION PROGRAM
TERM SHEET**

Union Terminal Warehouse

Project: The project comprises the redevelopment of a historic property where the underlying tax parcel ID 122092-0000 is shown to extend into the DIA Boundary and the Cathedral District at the time the Downtown Preservation and Revitalization Program (“DPRP”) was approved by the Jacksonville City Council. As such, the redevelopment of this property is eligible for incentive funding under the DPRP.

The redevelopment of this building (“Property”) is conditioned upon terms found in this Exhibit A to the Resolution. 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.

Developer/ Applicant / Borrower:	East Union Holdings, LLC
Total Development Costs (estimate):	\$60,845,975
Underwritten Development Costs Used for DPRP Calculations:	\$52,921,980
Equity (proposed and including HTC equity):	\$10,042,867 (19.0% of TDC as underwritten) (16.5% of TDC unadjusted)
Equity (proposed exclusive of HTC equity):	\$5,292,198 (10.0% of TDC as underwritten) (8.7% of TDC unadjusted)

City Funding: An amount determined to be **\$8,285,793** through the City of Jacksonville, as follows:

	Historic Preservation, Restoration, and Rehabilitation Forgivable Loan (HPRR)	Code Compliance Forgivable Loan (CCR)	DPRP Deferred Principal Loan	TOTAL
TOTAL	\$4,246,963	\$2,381,671	\$1,657,159	\$8,285,793

Changes in Total Development Cost prior to final approval, not to exceed 10%, may result in modification of this City Funding amount in proportion to such changes.

At this level, and by this program, the incentive structure and funding under the DPRP will be subject to further approvals by the Jacksonville City Council.

Infrastructure: No City of Jacksonville infrastructure improvements are contemplated.

Land: No City of Jacksonville land is committed to the project; however, the Developer commits to provide a minimum twenty-five (25) foot wide easement to the City as required by CH. 656.361.2.I and/or conveyance of property necessary for development of the Hogan’s Creek greenway. Any property conveyance shall be subject to customary agreements to be negotiated with reasonable discretion by all

parties and subject to the zoning, code, or other requirements placed upon the site as reviewed and approved by the City of Jacksonville Planning and Development department, FDOT, and any other municipal, governmental, or regulatory body.

Loans: No other loans, grants, or other funding from the City of Jacksonville.

Minimum Capital Contribution:

- A) The minimum total equity capital contribution through completion to remain eligible for the maximum DPRP Funding as outlined is \$5,292,198. Changes to Total Development Cost will require recalculation of the minimum equity requirement with consideration to eligibility of such cost modifications.
- B) The minimum Underwritten Development Costs Used for DPRP Calculations for maximum funding as applied for and underwritten \$52,921,980. The Project may be eligible for funding at lower levels subject to maintaining compliance with DPRP Guidelines.
- C) Percent of COJ investment to overall project cost: $\$8,285,793 / \$60,845,975 = 13.6\%$
- D) Percent of COJ investment to underwritten project cost: $\$8,285,793 / \$52,921,980 = 15.7\%$

Performance Schedule:

- A) Execution of Redevelopment Agreement by Developer within thirty (30) days of delivery of final contract to Developer following City Council Approval and Bill Effective Date.
- B) Application for Building Permit from the COJ Building Inspection Division within sixty (60) days following final approval of Redevelopment Agreement by City Council.
- C) Upon receipt of Building Permit, application for lender approval must be promptly filed and Developer must make best efforts to receive final approval from lender within six (6) months from application filing.
- D) Commencement of Construction within six (6) months of final lender approval as indicated by a financial closing. Commencement of Construction means:
 - 1. As reasonably can be considered necessary so that physical construction of the eligible Project (or any applicable phase thereof) may begin and proceed to completion without foreseeable interruption:
 - a) Completion of all pre-construction engineering and design,
 - b) All necessary licenses, permits, and governmental approvals,
 - c) Engagement of all contractors,
 - d) Ordered essential equipment and supplies; and,
 - 2. Financial commitments and resources to complete the construction of the project; and,
 - 3. Evidence of having “broken ground” and begun physical, material renovation and construction of such improvements on an ongoing basis without any Impermissible Delays.

Physical, material renovation and construction shall include, but not be limited to, environmental remediation, structural repairs, and selective demolition activities.

- E) Substantial Completion: Within twenty-four (24) months following Commencement of Construction as defined above.
- F) 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.

Additional Commitments:

A) The Developer commits to the development of:

1. A minimum of 220 dwelling units with initial rents established at or below the HUD maximum for 120% AMI. Not less than one half of the units will have initial rents established at or below the HUD maximum for 80% AMI.
 2. Commercial space, including maker/artist's studios, and similar uses: Minimum of 38,000 square feet and 44 tenant spaces.
 3. Rooftop terrace and community garden with existing water tower retained as an iconic architectural feature.
 4. Other amenities include a fitness studio, individual teleconference rooms, an arcade room, a Do-It-Yourself shop space, and electric vehicle charging stations. Specific uses for amenity spaces are subject to change over time in keeping with market standards.
 5. Coordination with Groundwork Jacksonville and the City of Jacksonville to allow for improvements adjacent to Hogan's Creek and through the property for the Emerald Trail subject to the easement as required by CH. 656.361.2.I and other customary easements and license agreements to be diligently negotiated with reasonable discretion by all parties. It is contemplated that the subway drive-aisle on the east side of the building will be paved, striped, and secured with bollards according to the design standards provided by Groundwork Jacksonville for the Emerald Trail as of the time of the execution of the Redevelopment Agreement.
- 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").
- C) Upon completion and request for funding, all work on the Property must be inspected by the Planning and Development Department or designee for compliance with the approved application prior to funding under any DPRP loan component.
- D) Funding under the DPRP will be secured by a subordinate lien position on the Property behind any senior secured, third-party lender providing construction, mini-perm, or permanent financing in accordance with the requirements of the senior lender.

- E) 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.
- F) HPRR Forgivable Loans, and CCR Forgivable Loans, the maturity of each of these Forgivable Loan will be five (5) years. Principal outstanding under each note will be forgiven at the rate of 20% annually, on the anniversary date of each such funding, so long as each Forgivable Loan is not in default per DPRP Guidelines.
- G) Standard claw back provisions will apply such that:
 - 1. In the event the Borrower sells, leases or otherwise transfers the Historic Building during the first five (5) years after the disbursement of the Forgivable Loan, the following shall be due and payable at closing of the Sale:
 - a) 100% if the Sale occurs within 12 months after disbursement of the Forgivable Loan;
 - b) 80% if the Sale occurs after 12 months but within 24 months of disbursement of the Forgivable Loan;
 - c) 60% if the Sale occurs after 24 months but within 36 months of disbursement of the Forgivable Loan;
 - d) 40% if the Sale occurs after 36 months but within 48 months of disbursement of the Forgivable Loan; or
 - e) 20% if the Sale occurs after 48 months but within 60 months of disbursement of the Forgivable Loan.
 - 2. In the event Borrower or any lessee or assignee of the Borrower uses the Project or the Historic Property or Properties for uses that represent material adverse deviation as contemplated by this Agreement at any time within five years following the disbursement of the Forgivable Loan, the full amount of the Grant, together with all accrued but unpaid interest thereon, shall immediately become due and payable to the City by the Borrower.
- H) Funding in the amount of the DPRP Deferred Principal Loan component will have a stated maturity date of ten years from the Funding Date. The loan balance is due in full upon maturity, sale, or refinancing of the property prior to maturity subject to terms of the disposition and value of the property at the time of such event.
- I) The DPRP Deferred Principal Loan component requires an annual interest payment equal to the total principal outstanding multiplied by the prevailing Ten-Year Treasury Note Rate at the time of funding or such other date as may be negotiated to accommodate senior lender requirements.
- J) Partial Principal reductions on the DPRP Deferred Principal Loan may be made after the fifth anniversary with no prepayment penalty; however, a minimum of 50% of the initial loan balance must remain outstanding through the loan maturity date unless the Property or Properties are sold or refinanced during that period, subject to DIA approval.
- K) DIA reserves the right to approve any sale, disposition of collateral property, or refinance of senior debt during the full DPRP Compliance Period.

- L) All Property, business, and income taxes must be current at the time of application and maintained in current status throughout the approval process, the term of the Redevelopment Agreement, and through the DPRP loan period.
- M) Payment defaults, bankruptcy filings, or other material defaults during the DPRP loan period will trigger the right for the City of Jacksonville to accelerate 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) and which will include review and comment by the other financial partners involved in the transaction.

**SUPPLEMENTAL INFORMATION
UNION TERMINAL DPRP TERM SHEET
STAFF REPORT**

DIA Strategic Implementation Committee Staff Report

UNION TERMINAL WAREHOUSE

Downtown Preservation and Revitalization Program

May 13, 2021

Applicant: East Union Holdings, LLC
Columbia Ventures, LLC (Manager)
Mr. Dillon Baynes (Member)
Mr. Jakob von Trapp (Member)
Mr. Ryan Akin (Development Manager)

Project: Union Terminal Warehouse
Address: 700 Union Street E
Jacksonville, FL 32206

Program Request: Downtown Preservation and Rehabilitation Program (“DPRP”)

Total Development Costs (as submitted): \$60,845,975
Total Development Costs (as underwritten): \$52,921,980

DPRP Loans Requested:

1) Historic Preservation Restoration and Rehabilitation Forgivable Loan (HPRR)	\$4,705,132
2) Code Compliance Renovations Forgivable Loan (CCR)	\$2,638,609
3) DPRP Deferred Principal Loan	<u>\$1,835,935</u>
	<u>\$9,179,676</u>

DPRP Loans Recommended:

1) Historic Preservation Restoration and Rehabilitation Forgivable Loan (HPRR)	\$4,246,963
2) Code Compliance Renovations Forgivable Loan (CCR)	\$2,381,671
3) DPRP Deferred Principal Loan	<u>\$1,657,159</u>
	<u>\$8,285,793</u>

Project Background and Description:

The subject property, the Union Terminal Warehouse, is a proposed redevelopment of a 330,000 square foot historic Jacksonville property that will provide a 228-unit apartment complex with associated commercial space situated on a 7.8-acre site. It is located along the south side of East Union Street and the north side of Arlington Expressway between Ionia Street to the east and Palmetto Street to the west, within an opportunity zone of Jacksonville, Florida.

The units will be contained in a single four-story building serviced by elevators with more than 35,000 square feet of commercial space in the basement and on the ground floor. The commercial space will be made up of ground floor restaurant space, office/coworking areas, and maker/industrial space in the basement. The property will offer studio, one-, two-, and three-bedroom floor plans ranging in size from 510 to 1,425 gross square feet with an average unit size of 804 square feet.

Unit features proposed include 9' ceilings with open and contemporary layouts, historic concrete structure with sealed floors, walk-out porches on the first floor, large historic double-pane windows providing generous natural light, fully equipped kitchen with range/oven, microwave, dishwasher, and stainless-steel sink with disposal, and washer/dryer connections with access to commercial washer and dryers onsite.

Exterior property amenities proposed include the Emerald Trail running through the site, rooftop terrace with shade structure and restrooms, large fitness studio, Hogan's Creek access along the southern edge of the property, six teleconference rooms, electric vehicle charging stations, and leasing office. According to the project description provided by the developer there will be a total of 292 parking spaces including 56 covered spaces (parking area under building).

Figure 1. Rendering of the Union Terminal Warehouse Upon Completion



Status:

Although the Union Terminal Warehouse building is on the north side of the Arlington Expressway, the underlying property (tax parcel 122092-0000), extends beyond the southern edge of Arlington Expressway and into the DIA boundary. Per the DPRP Guidelines, *“Project must be located within the DIA boundary. For this program, a project will be considered within the DIA boundary if, as of the effective date of this program, any portion of the tax parcel on which the building or buildings to be restored or renovated are located, is within the boundary of DIA.”*

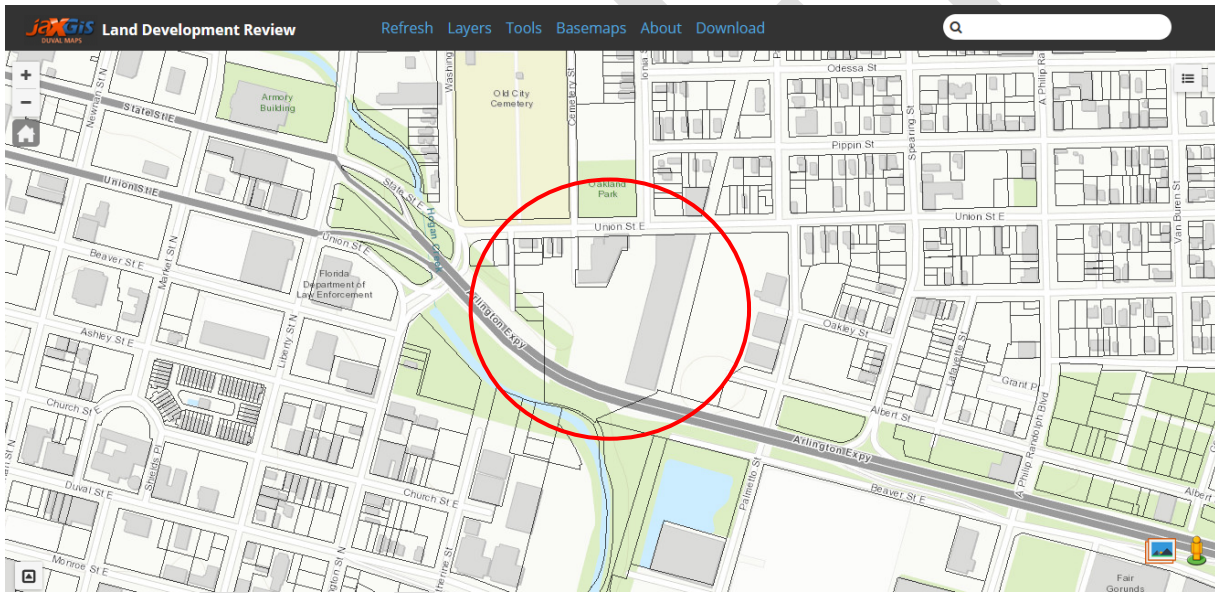
This southern edge of the property is also integral to the goals of the City and DIA as it borders Hogan's Creek and is the site of the Emerald Trail, of which a branch of that important project will extend directly

through the property and the Union Terminal Warehouse building itself as an access point to and from Union Street. This relationship with the Emerald Trail is considered an important element of this redevelopment and is incorporated as a requirement in the term sheet.

No City of Jacksonville land is committed to the project and the Developer commits to provide a minimum twenty-five (25) foot wide easement to the City as required by CH. 656.361.2.1 and/or conveyance of property necessary for development of the Hogan’s Creek greenway. Any property conveyance shall be subject to customary agreements to be negotiated with reasonable discretion by all parties and subject to the zoning, code, or other requirements placed upon the site as reviewed and approved by the City of Jacksonville Planning and Development department, FDOT, and any other municipal, governmental, or regulatory body. This easement will be provided at no cost to the City.

Figure 2. below shows the location of the property in relationship with the DIA boundary and Hogan’s Creek.

Figure 2. GIS Map of the Union Terminal Warehouse Parcel



The property was acquired December 3, 2018 in the name of East Union Property Owner, LLC for \$4,600,000. A third-party appraisal prepared by Everson, Huber, and Associates, LC, dated August 25, 2020, provides an estimated Market Value of the Fee Simple Interest in the Subject Property “As Is,” as of July 30, 2020 of \$4,800,000. East Union Holdings, LLC is the sole member of East Union Property Owner, LLC, and Columbia Ventures, LLC is its managing member.

Redevelopment of the Union Terminal Warehouse is not required to undergo approvals from the DDRB.

Principal Development and Operation Team Members:
Columbia Ventures LLC – Atlanta, Ga (Developer)

Columbia Ventures LLC was formed in 2013 to focus on residentially anchored mixed-use development in urban locations in the southeastern United States. Created in collaboration with the principals of the award-winning affordable housing development and property management firm Columbia Residential, the company leverages the platform founded in 1991 by Noel Khalil to create a market-rate development and investment company with a unique skill set and dynamic approach to urban development.

Columbia Ventures' founders have developed over \$2.5 billion of commercial real estate including over 30,000 residential units, comprising market-rate, senior, affordable, and condominium units with extensive regional and national experience. Columbia Ventures is administratively supported by Columbia Residential, and its support staff headquartered in Atlanta.

Noel Khalil founded what is now the Columbia brand in 1991, and today oversees the company in its mission in his role as Chairman and CEO of the Columbia group of companies. During his extensive career in the industry, Noel has been responsible for the award-winning development of more than 13,000 multifamily and single-family housing units throughout the United States. He holds a Bachelor of Science degree with distinction from the University of Rochester and a Juris Doctor from Florida State University.

Jim Grauley serves as President, Chief Operating Officer and Principal of the Columbia group of companies, managing operations of development, finance, asset management and corporate business operations. Since joining Columbia in 2008, Jim has led the successful development of over 4,000 housing units.

Dillon Baynes is the Managing Partner of Columbia Ventures and has primary operational and managerial responsibilities for the company. His experience varies from multifamily (both for rent and for sale) to single family and land lot/subdivisions, to retail and office and mixed-use, and land conservation.

Jake von Trapp is a Partner in Columbia Ventures and is primarily responsible for underwriting development and acquisition opportunities as well as overseeing development management and project execution. Prior to forming Columbia Ventures with Baynes, Grauley, and Khalil, von Trapp worked at Columbia Residential as a development manager where he was responsible for managing the real estate development process, completing more than 700 units across five communities totaling \$168 million during his tenure.

Ryan Akin has been with Columbia Ventures since May 2017 and serves as development manager on the Union Terminal Warehouse project. Mr. Akin brings more than thirteen years' experience in development, project management, analysis, and mechanical engineering and is a 2011 graduate of Georgia Institute of Technology with a Master of Science in Mechanical Engineering (M.S.M.E.) and a minor in Business.

Dasher Hurst – Jacksonville , FL (Architect, MEP, and Civil)

Dasher Hurst is an award-winning, Jacksonville-based architecture firm with decades of experience in a broad array of complex commercial and residential projects. Their portfolio includes a number of high-profile adaptive reuse projects, including several in Downtown Jacksonville such as the Barnett Building, Independent Life Building, Union Terminal Warehouse, and Farah & Farah Office. Their regional work is

also demonstrated in other sectors such as higher education with nationally recognized projects including the UNF Student Union as well as Jacksonville University Marine Science Institute and UF Whitney Center.

Winter Park Construction - Maitland, FL (General Contractor)

WPC was established with a focus on construction activities in Central Florida in 1974 and has completed over 300 million square feet of construction since that time. With principal focus in the complex affordable housing segment of the industry, WPC has been an active participant in the planning and construction of more than 30 low-income and affordable redevelopment and new construction projects. WPC employs green energy compliance in its construction standards and since 2008 has delivered more than 1,000 USGBC, FGBC and NGBS certified units.

Request and Structure:

To facilitate redevelopment of this property, Columbia Ventures requested approval of funding under the DPRP totaling \$9,179,676. As will be outlined in more detail below, DIA Staff recommends DPRP funding in the amount of \$8,285,793 (a difference of \$893,883) to be structured as follows:

Table 1: DPRP Funding as Requested and as Recommended

DPRP Program Funding	Historic Preservation, Restoration, and Rehabilitation Forgivable Loan (HPRR)	Code Compliance Forgivable Loan (CCR)	DPRP Deferred Principal Loan	TOTAL
Requested	\$4,705,132	\$2,638,609	\$1,835,935	\$9,179,676
Recommended	\$4,246,963	\$2,381,671	\$1,657,159	\$8,285,793

Per DPRP parameters and funding limits, the developer’s total budget of more than \$60.8 million provides eligible costs of more than \$40 million, with potential DPRP funding as high as \$14.3 million. However, that proposed budget includes more than \$7.9 million in costs not considered as eligible under the DPRP centered in Developer/Program Management Fee (\$4 million), FF&E (\$1.3 million), and tenant improvements, soft costs, and reserves comprising the remainder. Elimination of these costs provides the Total Development Cost figure of \$52,921,980 used for underwriting as shown in Table 2 on the following page.

Table 2: Sources and Uses as Proposed and as Adjusted

Uses	As Proposed		As Adjusted	
Acquisition Costs	\$ 5,946,853	9.8%	\$ 5,946,853	11.2%
Hard Costs	\$ 41,952,140	68.9%	\$41,152,140	77.8%
Financing Costs	\$ 2,699,937	4.4%	\$ 2,403,196	4.5%
Soft Costs	\$ 5,110,866	8.4%	\$ 3,419,791	6.5%
Other	\$ 5,136,180	8.4%	\$ -	0.0%
Total Development Cost	\$ 60,845,975	100.0%	\$52,921,980	100.0%

Sources				
General Partner (Equity)	\$ 8,228,897	13.5%	\$ 5,292,198	10.0%
HTC Equity	\$ 1,813,970	3.0%	\$ -	0.0%
Deferred Dev Fee	\$ 405,650	0.7%	\$ -	0.0%
Gap Financing - DPRP Funds	\$ 9,179,676	15.1%	\$ 8,285,793	15.7%
HUD 220 Construction Loan	\$ 41,217,782	67.7%	\$39,343,989	74.3%
Total Development Sources	\$ 60,845,975	100.0%	\$52,921,980	100.0%

As shown, the reduction to development costs is partially offset by HUD 220 funding for costs eligible under that program, elimination of the deferred developer fee, and the Historic Tax Credit investment. At the requested DPRP funding amount of \$9,179,676, direct developer equity would equal only \$4,398,316 of the adjusted Sources, which is below the 10% requirement of the DPRP Guidelines. As such, that amount is adjusted to 10% of adjusted Uses which requires an additional \$893,882 in equity, and a reduction to the DPRP funding by the same amount. This provides the recommended amount of \$8,285,793 which meets all other DPRP parameters as shown in Table 3 below:

Table 3: DPRP Guidelines Summary:

Measurement	DPRP Guidelines			As Calculated
	% of TDC		Net of Developer Fee	Project
Developer Equity	10%	Min	of TDC	10.0%
3rd Party Loan			No min or max	74.3%
Subsidy or Tax Credit			No min or max	
Developer Combined	60%	Min	of TDC	84.3%
DPRP				
<i>Exterior</i>	<i>75%</i>	<i>Max</i>	<i>of eligible costs</i>	
<i>Restoration Int</i>	<i>75%</i>	<i>Max</i>	<i>of eligible costs</i>	
<i>Rehabilitation Int</i>	<i>30%</i>	<i>Max</i>	<i>of eligible costs</i>	
<i>Code Compliance</i>	<i>75%</i>	<i>Max</i>	<i>of eligible costs</i>	
<i>Other</i>	<i>20%</i>	<i>Max</i>	<i>of eligible costs</i>	
HPRR Forgivable Loan	30%	Max	of TDC	8.0%
CCR Forgivable Loan	30%	Max	of TDC	4.5%
DPRP Def Prin Loan	20%	Max	of TDC	3.1%
DPRP Def Prin Loan		Min	Must be ≥ 20% of Gap	20.0%
Other COJ Funding				0.0%
COJ Combined	40%	Max	of TDC	13.6%

At this level, the incentive structure and funding under the DPRP will be subject to further approval and appropriation by the Jacksonville City Council. Appropriation will not be requested prior to the fiscal year that completion of construction may be reasonably projected.

Project Parameters:

Residential units as proposed would break down as follows: 7 units-Studio, 144 units-1 BR, 58 units-2 BR, and 19 units-3 BR for a proposed total of 228 multifamily dwelling units ranging in size from 582 square feet for the smallest studio unit to 1,473 square feet for the largest three-bedroom unit. Rents will be established at below the HUD maximum for 120% Area Median Income (AMI) for all apartments while not less than 50% of units will have rent set at the HUD maximum for 80% AMI. Average rent is established at \$1.67 in the pro forma providing Potential Gross Income of \$3.7 million annually from the multifamily component upon stabilization. Potential Gross Income from commercial space adds \$707 thousand annually.

After vacancy factored in at 7.5%, management fee of 3%, and other operating expenses, the NOI of the property as stabilized is estimated to be \$2.5 million, sufficient to provide Debt Service Coverage of 1.25 times.

Total direct hard and soft costs as provided by the developer total \$52,116,251 which equals \$157.93 per square foot for the project, exclusive of land, finance costs, reserves, and other costs.

Underwriting this application established the need for financial support from the City based on the extensive redevelopment costs for the building, deemed important to the preservation of Jacksonville's historic building stock and the stated purpose of the Downtown Preservation and Revitalization Program, "to foster the preservation and revitalization of unoccupied, underutilized, and/or deteriorating historic, and qualified non-historic, buildings located in downtown Jacksonville."

Redevelopment of the properties is proposed to be supported by a HPRR Forgivable Loan of \$4,246,963, a CCR Forgivable Loan of \$2,381,671, and a DPRP Deferred Principal Loan of \$1,657,159 as noted previously. Program guidelines allow for the HPRR and CCR Forgivable Loans to amortize concurrently with principal forgiven at the rate of 20% annually over a five-year period. The DPRP Deferred Principal Loan is an interest only loan with the rate established at the level of the Ten-Year Treasury Note at the time of funding. For conservative modeling purposes, a rate of 1.25% is used; however, this rate of the 10-year T has been rising in recent weeks and is expected to be 25-50 basis points higher, at minimum, by the point of funding, which will be accretive to the ROI. The Deferred Principal Loan has a balloon maturity at the tenth year and may be paid down by not more than 50% without penalty following the fifth anniversary.

As shown by Table 4 on the following page, the overall ROI for the redevelopment of these properties is calculated at 0.86X including a ten-year tax abatement for historic property renovation, which exceeds the minimum requirement of 0.50X as found in the DPRP Guidelines:

Table 4: ROI Estimates for Union Terminal Warehouse DPRP Funding

\$47.3 Million in Capital Expenditures		
Ad Valorem Taxes Generated		
County Operating Millage	(1) \$	5,605,141
Local Option Sales Tax	(2) \$	-
Payroll	(3) \$	-
Add'l Benefits Provided	(4) \$	1,265,925
Total City Expected Benefits		\$ 7,119,640
Total City Investment	(5)	\$ 8,285,793
Return on Investment Ratio		0.86

(1) - The investment from the Company is estimated to be \$47,098,000 in Capital Contribution for development
(2) - Local Option Sales Tax is based on the revenue generated through retail sales, food and beverage, and commercial leases.
(3) - Job estimates are calculated at # of jobs * avg. wage. Assumes 20% spent locally and a 1 percent sales tax over 20 years.

(4) - Value of any additional contribution being made for the benefit of the city in consideration of the incentive		
Interest on the DPRP Deferred Principal Loan	\$	248,574
PV of Deferred Principal Loan Payoff	\$	1,017,352
Other		
Total Add'l Benefits Provided	\$	1,265,925

(5) - City Incentives as follows:

DPRP	\$	8,285,793
Land	\$	-
Other		
Total Direct Incentives	\$	8,285,793

Included in the amounts shown above is incremental ad valorem tax benefit to the City over a twenty-year period of \$5.6 million, interest on the DPRP Deferred Principal loan of \$249 thousand, and the present value of the DPRP Deferred Principal Loan payoff of \$1.02 million. Total expected benefits for the City by these calculations is \$7.1 million.

Review and Approvals:

The historic status of the Union Terminal Warehouse is provided from the landmark report for the property:

The Union Terminal Company Warehouse is significant for its role in regional commerce and architecture during the period from 1913 through 1934 (Criteria A). It is a well-preserved and rare example of an early twentieth century reinforced concrete industrial loft warehouse designed and constructed by the Turner Construction Company in Jacksonville, Florida (Criteria D). At 333,000 square feet, it is an extremely large building with a significant presence in the built environment of the surrounding area just east of downtown Jacksonville. It was completed in 1913 by Turner Construction Company who, at the time, was the industry leader in reinforced concrete design-build projects in the United States. The four-story industrial loft was advertised as the largest reinforced concrete building ever erected at the time of its construction. Its fireproof components and monumental size were meant to fulfill the aspirations of grocery trade within Jacksonville (Criteria E and F). It was advertised as the first wholesale bonded warehouse in Jacksonville providing economic security for items transported to and from the facility via rail, water, and automobile and thus fueling a rise in the local grocery supply industry from the time of its completion in 1913 through the first sale of the property in 1934 when its influence as an industry leader began to decline.

Per the conditional approval memo from the Historic Preservation Section of the COJ Planning and Development Department (“HPS”), *“The application for locally designating the Union Terminal Warehouse Building was recently reviewed by the Historic Preservation Commission for landmark status on February 24, 2021 and has been forwarded to City Council for final approval under 2021-139. Based on this pending landmark designation status, the structure can be considered for funding under the DPRP.”*

Further, in terms of status related to process and third-party approvals, *“A pre-application Zoom meeting to cover expectations and the projected timeline were conducted on January 26, 2021 with a follow-up meeting on March 23, 2021. Copies of the HTC Part 2 submittal by Ward Architecture and Preservation that includes a detailed description of the proposed work scope with plans and photographs was received by March 2, 2021 along with the HTC Part 2 NPS approval.”*

City Council approval of 2021-139 providing local landmark status for the property was provided April 13, 2021. As such redevelopment of the Union Terminal Building has achieved all historic requirements associated with the DPRP Guidelines, subject to final inspection prior to funding in coordination with HPS.

Recommendation:

DIA Staff recommends approval of a the DPRP loans as outlined herein including:

1. Adherence with all Downtown Preservation and Revitalization Program requirements.
2. The additional equity requirement to achieve the DPRP Guideline minimum of 10%.
3. Compliance with a minimum twenty-five (25) foot wide easement to the City as required by CH. 656.361.2.1 and/or conveyance of property necessary for development of the Hogan’s Creek greenway. Any property conveyance shall be subject to customary agreements to be negotiated with reasonable discretion by all parties and subject to the zoning, code, or other requirements placed upon the site as reviewed and approved by the City of Jacksonville Planning and Development department, FDOT, and any other municipal, governmental, or regulatory body.
4. Coordination with Groundwork Jacksonville and the City of Jacksonville to allow for improvements adjacent to Hogan’s Creek and through the property for the Emerald Trail subject to additional easements and license agreements to be diligently negotiated with reasonable discretion by all parties. It is contemplated that the subway drive-aisle on the east side of the building will be paved, striped, and secured with bollards according to the design standards provided by Groundwork Jacksonville for the Emerald Trail as of the time of the execution of the Redevelopment Agreement.
5. All requirements outlined within the HPS conditional approval or as may be established by the NPS in its conditional approval must be incorporated into the redevelopment project and inspected for adherence upon completion and prior to funding.
6. Other conditions and requirements of approval and administration of the subject facilities is captured in the Exhibit A Term Sheet.

Staff report prepared by:

Steven T. Kelley, DBA
Director of Downtown Real Estate and Development

DRAFT

TAB IV.D
RESOLUTION 2021-05-05 CEO CONTRACT AMENDMENT

RESOLUTION 2021-05-05

RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AUTHORIZING A FIRST AMENDMENT TO THE EMPLOYMENT AGREEMENT BETWEEN THE DIA AND LORI N. BOYER, CHIEF EXECUTIVE OFFICER (“CEO”), THE AMENDED TERMS OF WHICH ARE DESCRIBED AND MEMORIALIZED IN THE “FIRST AMENDMENT TO EMPLOYMENT AGREEMENT” ATTACHED HERETO AS EXHIBIT ‘A’; AUTHORIZING THE DIA GOVERNING BOARD CHAIR TO EXECUTE THE “FIRST AMENDMENT TO EMPLOYMENT AGREEMENT”; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, City Council adopted Ordinance 2012-364-E, thereby creating a new Chapter 55, Jacksonville Code of Ordinances, the purpose of which is to establish “a single, comprehensive organizational structure for the Authority [DIA] and a single, comprehensive method of addressing downtown redevelopment”; and

WHEREAS, pursuant to §55.108, Jacksonville Code of Ordinances, the DIA shall “Appoint a Chief Executive Officer (“CEO”), prescribe his or her duties, and fix his or her compensation...”; and

WHEREAS, after a nation-wide search, the DIA selected Lori N. Boyer as the most qualified applicant, resulting in an offer of employment to Lori N. Boyer as DIA Chief Executive Officer; and

WHEREAS, Lori N. Boyer and the DIA negotiated the terms of employment, which are memorialized in an Employment Agreement dated June 20, 2019; and

WHEREAS, the DIA Governing Board desire to amend those terms in accordance with the “First Amendment to Employment Agreement” attached hereto as Exhibit ‘A’,

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

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

Section 2. The DIA hereby approves the attached Exhibit ‘A’, “First Amendment to Employment Agreement”, and authorizes its execution by the DIA Chair.

Section 3. This Resolution shall become effective on the date it is signed by the Chair of the DIA Board.

[SIGNATURES ON FOLLOWING PAGE]

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Ron Moody, Chairman

Date

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