



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

**Hybrid Virtual In-Person Meeting
Wednesday, March 9th, 2022 at 1:00 p.m.**

RE&PD AGENDA

David Ward, Acting Chair

Carol Worsham, Committee Member

Todd Froats, Committee Member

Jim Citrano, Committee Member

Braxton Gillam, Esq., Ex Officio

Committee Members Excused: Oliver Barakat, Chair

- I. CALL TO ORDER
- II. PUBLIC COMMENTS*
- III. FEBRUARY 23, 2022 RETAIL ENHANCEMENT AND PROPERTY DISPOSITION COMMITTEE MEETING MINUTES APPROVAL
- IV. RESOLUTION 2022-03-01: 323 E BAY STREET FAB-REP
- V. RESOLUTION 2022-03-02: THE HARDWICK TERM SHEET
- VI. OTHER MATTERS TO BE ADDED AT THE DISCRETION OF THE CHAIR
- VII. OLD BUSINESS
- VIII. NEW BUSINESS
- IX. ADJOURN

** Only individuals attending the meeting in-person will have an opportunity to provide live public comments. Persons who cannot attend the meeting in-person, but who wish to submit public comments regarding any matter on the agenda for consideration at the meeting, may do so by sending their public comments via electronic mail to DIAPublicComments@coj.net prior to the start of the meeting. Public comments received prior to the meeting will not be read during the meeting but will instead be forwarded to all DIA Board members for review in advance of the meeting and will remain a part of the permanent record for the meeting itself. You are encouraged to submit public comments well in advance of the start of the meeting to provide DIA Board members with adequate time to read them in preparation for the meeting.*

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

**Hybrid Virtual In-Person Meeting
Wednesday, March 9th, 2022 at 1:00 p.m.**

Please be advised that this will be a hybrid virtual in person meeting.

PHYSICAL LOCATION

City Hall at St. James
117 West Duval Street
First Floor, Lynwood Roberts Room
Jacksonville, FL 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.

VIRTUAL LOCATION

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

Join Zoom Meeting

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

Meeting ID: 825 3430 6765

Passcode: 186971

One tap mobile

+1 (312) 626-6799 (Chicago)

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

Find your local number: <https://us02web.zoom.us/j/keg325N2hY>

TAB III
FEBRUARY 23, 2022
RE&PD COMMITTEE MEETING MINUTES APPROVAL



Downtown Investment Authority
Retail Enhancement and Property Disposition Committee Hybrid Meeting
Wednesday, February 23rd, 2022 – 1:00 p.m.

RE&PD Committee Hybrid Meeting
Draft - MEETING MINUTES

Retail Enhancement and Property Disposition Committee Members in Attendance:

Oliver Barakat, Chair	
David Ward, Esq.	Carol Worsham
Jim Citrano	Todd Froats
Braxton Gillam, Esq., Ex-officio	

Committee Members Excused:

Board Members in Attendance:

DIA Staff Present: Lori Boyer, Chief Executive Officer; Ina Mezini, Marketing and Communications Specialist (via Zoom); and Lori Radcliffe-Meyers, Downtown Development Coordinator (via Zoom); John Crescimbeni, Contract and Regulatory Compliance Manager (via Zoom)

Office of General Counsel: Joelle Dillard, Esq.

I. CALL TO ORDER

The Retail Enhancement and Property Disposition Committee meeting of February 23rd, 2022, was called to order at 1:03 p.m. by Committee Chairman Barakat.

Chairman Barakat called for each Committee Member, Board 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:

Carnell Oliver	Spoke to the need for affordable housing and being proactive to secure social services for the less fortunate
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III. FEBRUARY 11, 2022 RETAIL ENHANCEMENT AND PROPERTY DISPOSITION COMMITTEE MEETING MINUTES APPROVAL

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

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

Seconded: Committee Member Ward seconded the motion

Vote: Aye: 6 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 6-0-0.

IV. RIVERFRONT PLAZA DEVELOPMENT PAD DISPOSITION TERMS

CEO Boyer spoke to the proposed Riverfront Plaza development pad notice of disposition terms, as modified at the previous REPD committee meeting.

- Added language to express that in addition to the option of a fee simple purchase, a ground lease is also an option and that points may be awarded for ground leases of less than 99 years.
- Added language to refine and add descriptive language to better communicate the private development pad versus park space.
- Perkins & Will suggests that the elevated 20-40 ft restaurant, retail and open plaza space overlooking the park should be made 20-44 ft to accommodate the higher floor plan of a first level garage.
- Clarification that the high-rise building be parallel and adjacent to the Main Street bridge.
- Noted the Mixed-Use Requirements versus Optional Considerations.
- Refined language in Section 8 to more clearly communicate the desire for high quality architectural design and materials.
- Refined language in Section 10 to more clearly communicate the type of prior experience the Development Team should possess.
- Added language to explain the scoring criteria
- Suggested revising the language in Section 2.b to say “substantial completion of the design and construction documents by Summer 2022” so that it’s less explicit.
- Changed the elevation in Section 3.iv from 50’ to 56’

Motion: Committee Member Gillam moved to approve the terms with staff recommendations

Seconded: Committee Member Ward seconded the motion

Chairman Barakat called for comments from the committee.

Responding to a question from Committee Member Froats regarding the benefits of a ground lease, CEO Boyer stated that a ground lease provides an opportunity for the City to recover the property and be a part of the conversation to redirect and redevelop the property in the future.

CEO Boyer clarified for Committee Member Ward that it is possible to have a ground lease for more than 99 years but that it would not be likely.

Committee Member Ward suggested picking a hard date for the substantial completion of construction and design documents. CEO Boyer stated that Perkins & Will have communicated potential delays and she does not know what that date should be. Adding that, she only wants to communicate that development should move rapidly. CEO Boyer agreed to a September 1st substantial completion date.

Committee Member Worsham suggested adding language to Section 11.v clarifying what is expected in the post completion management plan.

Committee Member Citrano suggested leaving the construction language in Section 11.p.i.

CEO Boyer suggested using “non-restaurant retail” in Section 4.a.i. and clarified that residential is not discounted.

Committee Member Worsham asked if any thought has been given to including restaurant parameters. CEO Boyer responded that she does not believe it should be a requirement, but the proposals should include their intentions with the restaurant.

Responding to a question from Chairman Barakat regarding the retail along the civic stairs, CEO Boyer spoke to the feedback she has gotten from developers who have been attempting to design the site, noting that it is confined and could have restricted circulation due to how tight the space is.

The following revisions will be made to the Disposition Terms:

- Insert “non-restaurant retail” language
- Retain the construction language in Section 11.p.i
- Add language for the Post completion management plan
- Add language for the developers’ intentions with the restaurant (e.g., type of restaurant, operating hours, etc.)

Chairman Barakat called for comments on the Scoring Criteria.

CEO Boyer clarified the amount of total points and provided an overview of the Scoring Criteria as revised at the last REPD committee meeting.

CEO Boyer suggested, and Chairman Barakat agreed, to remove “Sky Terrace” so that it reads “...of the riverfront on Civic Stairs levels” under the Project Development and Design section.

CEO Boyer clarified for Committee Member Worsham that up to 50 points can be deducted for the “Failure to design...” component under Project Development and Design. The committee agreed to provide a clear explanation of the item for the evaluation committee and change the language to “5 to 50.”

The following revisions will be made to the Scoring Criteria:

- Remove “Sky Terrace” so that it reads “...of the riverfront on Civic Stairs levels” under the Project Development and Design section.
- Provide a clear explanation of the item beginning “Failure to design...” under Project Development and Design for the evaluation committee and change the associated points to “minus 5 to 50.”

Chairman Barakat called upon CEO Boyer to present the Broker Timeline.

CEO Boyer provided an overview of the timeline.

Chairman Barakat commented that the developer would have from May 18th to September 1st to complete construction designs.

Committee Member Gillam urged CEO Boyer to communicate to the developers the silence period through May 18th so that there is no confusion.

CEO Boyer clarified for Committee Member Gillam that the points for the ground lease would be added in the Economic Benefit section. CEO Boyer agreed to provide an explanation to both the respondents and the evaluation committee.

Motion: Committee Member Gillam moved to amend the motion to add the proposed revisions to the terms and scoring criteria

Seconded: Committee Member Froats seconded the motion

Chairman Barakat called for a vote.

Vote: Aye: 6 Nay: 0 Abstain: 0

THE AMENDMENT TO THE MOTION PASSED UNANIMOUSLY 6-0-0.

Chairman Barakat called for discussion. Seeing none, Chairman Barakat called for a vote on the motion as amended.

Vote: Aye: 6 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 6-0-0.

V. OLD BUSINESS

None.

VI. NEW BUSINESS

None.

VII. ADJOURNMENT

Seeing no further matters for discussion, Chairman Barakat adjourned the meeting at 2:01 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.

DRAFT

TAB IV

RESOLUTION 2022-03-01: 323 E BAY STREET FAB-REP

RESOLUTION 2021-03-01

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) ACTING AS THE COMBINED NORTHBANK COMMUNITY DEVELOPMENT AGENCY (“GRANTOR”) APPROVING THE AWARD OF A RETAIL ENHANCEMENT PROGRAM FORGIVABLE LOAN TO 323 E BAY STREET LLC AND 323 E BAY STREET RE LLC (“GRANTEES”); AUTHORIZING THE CEO OF THE DIA TO NEGOTIATE A LOAN AGREEMENT AND RELATED SECURITY DOCUMENTS; AUTHORIZING THE DIA CEO TO EXECUTE SUCH AGREEMENTS; AND FINDING THAT THE DEVELOPMENT PLAN IS CONSISTENT WITH THE DIA’S BUSINESS INVESTMENT AND DEVELOPMENT PLAN, INCLUDING THE NORTHBANK CRA PLAN (“BID PLAN”) AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Grantees submitted a Retail Enhancement Program application to the DIA under the Targeted Retail Activation: Food and Beverage Establishments Program; and

WHEREAS, the application, 2022-001 was reviewed by the DIA staff, found to be consistent with the BID Plan and CRA Plan for Downtown Northbank; and

WHEREAS, the Retail Enhancement and Property Disposition Committee, at their meeting of March 9, 2022; voted to recommended approval of the application to the DIA Board; and

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

WHEREAS, to assist the Grantees in making renovations for the purposes of Decca Live (“the Project”) the DIA proposes to provide a Forgivable Loan in an amount not to exceed \$271,850 (Two hundred seventy one thousand, eight hundred fifty dollars) to the Grantees; and

WHEREAS, the financial assistance to the Project will be in the form of the proposed terms and incentives on the Term Sheet, attached as Exhibit A to this Resolution; and

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

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

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

- Goal 1: Reinforce Downtown as the City’s unique epicenter for business, history, culture, education, and entertainment.
 - Increase the opportunities for Downtown employment.
 - Protect and revitalize historic assets.
 - Support expansion of entertainment and restaurant facilities.
 - Increase venues, workspaces, and residential opportunities with a focus on the Target Area.
 - Create a consistent theme and image that conveys a sense of the excitement and activity Downtown.
 - Focus efforts on drawing many diverse attractions, rather than a small number of large ones.
- Goal 2: Increase rental and owner-occupied housing downtown, targeting key demographic groups seeking a more urban lifestyle.
 - Leverage land contributions, infrastructure investments, incentive grants, and low interest loans.
 - Promote and attract neighborhood retail to support downtown residents.
- Goal 3: Simplify the approval process for downtown development and improve departmental and agency coordination.
 - Initiate public/private partnerships.
 - Identify cooperative property owners/developers and develop key pilot initiatives.
- Goal 4: Maintain a clean and safe 24-7 Downtown for residents, workers, and visitors.
 - Provide increased walkability through:
 - Support and attract additional commercial, service, residential, transportation, recreation, and open space uses.
 - Redevelop the major road corridors with pedestrian-scale neighborhood retail and services.
 - Enhance the connection with neighborhoods immediately adjacent to Downtown through attractive, walkable/bikeable linkages.

Section 3. The DIA hereby approves the award of a Retail Enhancement Grant in the amount of \$271,850 from the Combined Northbank TID to Grantees to be provided in accordance with the term sheet attached hereto as Exhibit A.

Section 4. The Chief Executive Officer is hereby authorized to negotiate and execute the Loan Agreement and Security Documents and otherwise take all necessary action in connection therewith to effectuate the purposes of this Resolution.

Section 5. The Effective Date of this Resolution is the date of execution of this Resolution by the Chair of the DIA Board.

WITNESS: **DOWNTOWN INVESTMENT AUTHORITY**

Witness

W. Braxton Gillam IV, Esq., Chairman.

Date

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

DRAFT

EXHIBIT A - TERM SHEET

Project Name:	Decca Live
Developer/Applicant:	323 E Bay Street LLC and 323 E Bay Street RE LLC as co-applicants
Total Development Costs (estimate):	\$887,450
Co-applicant Contribution:	\$615,600 69.4% of Eligible Costs
Recommended Funding:	\$271,850 30.6% of Eligible Costs

Project: Tenant improvements to 323 E Bay Street in accordance with the application received in order to facilitate the operation of a Type 3 live music entertainment venue substantially in accordance with the site layout, equipment outfitting, and design elements found in the business plan submitted with the application.

The Business Owner also agrees to operate during expanded hours as detailed further below and is expected to remain in business in the location at these service levels for a minimum of 5 years.

City Funding: No more than **\$271,850**, through the Downtown Northbank Combined CRA, as follows:

Infrastructure: No City of Jacksonville or CRA infrastructure funding or support is requested.

Land: No City of Jacksonville or CRA land or building is requested.

Loans: No City of Jacksonville or CRA loans have been requested.

FAB-REP Forgivable Loan: **\$271,850 from the Downtown Northbank Combined CRA.** The grant will be structured as a forgivable, 0% interest loan that will amortize at the rate of 20% on each anniversary date of the closing so long as no event of default exists. Each co-applicant will be a party to that forgivable note and loan agreement.

The co-applicants acknowledge that these loan funds are awarded and shall be used in accordance with the Retail Enhancement Program Targeted Retail Activation: Food and Beverage Establishments guidelines.

The forgivable loan will be secured by a personal guarantee of Mr. Eric Fuller and Ms. Manjola Rajta in the event of a default under the program or funding agreement.

Minimum Capital Contribution:

- The minimum total capital contribution through completion to remain eligible for the FAB-REP Forgivable Loan is \$ 798,705 (Direct costs only as found in the General Contractor contract, does not include costs incurred by the Landlord in Exhibit C to the Lease addendum).

Performance Schedule:

1. Redevelopment Agreement or appropriate loan document to be executed no later than execution or the Redevelopment Agreement for the DPRP award.
2. Commencement of Construction: Within three (3) months following the Redevelopment Agreement Effective Date, Applicant commits to commencement of construction,

meaning receipt of all required approvals, permitting, and closing on all required financing to allow the start of construction activities and has actually broken ground to begin work.

3. Substantial Completion: Within eighteen (18) months following Commencement of Construction as defined above.
4. The DIA CEO will have authority to extend this Performance Schedule, in the CEO's discretion, for up to six (6) months for good cause shown by the Developer / Applicant. Any extensions to the Commencement Date shall have the same effect of extending the Completion Date simultaneously.

Additional Commitments:

1. Per FAB-REP guidelines, the award will be structured as:
 - a) Zero-interest, forgivable loan, payable upon completion of the work and receipt by DIA of invoices for goods and services rendered, and proof that recipients paid for such goods and services.
 - b) No interest shall accrue upon the principal of the total loan amount with principal forgiven over a five (5) year period.
 - c) Total principal balance will amortize 20% each year of the compliance period.
 - d) At end of five years, the loan shall be forgiven in its entirety on the condition the improvements are installed and maintained in reasonably good condition and no City Code violations are incurred during the compliance period.
 - e) If it is determined that recipient(s) is in default, interest and full payment of the grant may be demanded.
2. Amplified music from the rooftop shall be limited to hours ending at 10:00 PM and the venue must comply with noise ordinance requirements at all times.
3. Minimum Hours of Operation to be maintained as:

Rooftop Hours of operation:

Monday	Closed
Tuesday to Saturday	4pm to 12am
Sunday	4pm to 12am

Decca Live Hours of operation:

Monday & Tuesday	closed (unless private rental)
Wednesday to Sunday	7pm to 12am (contingent upon concert schedule)

DIA will have the authority to modify the required hours of operation in the event market conditions require same.

4. Minimum number of employees:
 - a) Full time: Three (3) full-time management staff members, which may include owner operators.
 - b) Hourly: Twenty five (25), which shall not include contracts with third party security or other outsourced labor.
5. Personal Guaranty of payment and performance obligations in the event of default by either Landlord or Tenant to be provided by Mr. Eric Fuller and Ms. Manjola Rajta.

RESOLUTION 2022-03-01

6. Additional terms and conditions as may be required and as found in the Redevelopment Agreement or other documentation prepared to establish the obligations for this award.

Conditions:

This Term Sheet is limited by the following conditions:

1. Downtown Investment Authority to receive copies of all necessary permits and invoices as evidence of eligible expenditures; and
2. Annual reporting required to demonstrate compliance with terms and conditions as approved; and
3. There may be additional terms, conditions, rights, responsibilities, warranties, and obligations for both parties which shall be determined in a later negotiated mutually agreeable written contract.

DRAFT

SUPPLEMENTAL INFORMATION
323 E BAY STREET FAB-REP
STAFF REPORT

DIA Staff Report
Retail Enhancement Program
Targeted Retail Activation: Food and Beverage Establishments
February 4, 2022

Project tracking number: FAB-REP 2022-001

Project name: Decca Live

Co-Applicants:
Business Owner/Tenant **323 E Bay Street LLC**
Fuller Entertainment LLC (Eric Fuller), Managing Partner
Albacore JAX LLC, (Manjola Rajta), Managing Partner

Property Owner/Landlord **323 E Bay Street RE LLC**
Fuller Entertainment LLC (Eric Fuller), Managing Partner
Albacore JAX LLC, (Manjola Rajta), Managing Partner

Project Location: 323 E Bay Street, Jacksonville, Florida 32202



Project Description:

Decca Live is a proposed two-story, 1,000 person capacity, live music venue to be located on Bay Street on the eastern end of the Elbow District. The venue will also have a rooftop bar with views of the St. Johns River and has a basement that will be finished to be used as a “green room” for artists to prepare for shows. The proposed activity meets the qualifications and requirements of the FAB-REP program in activating the Elbow District along Bay Street where other music venues already exist including Myth Nightclub, Elements Bistro and Bar, as well as Florida Theatre, Underbelly, and 1904 Music Hall in close proximity.

Both the tenant, 323 E Bay Street LLC, and the landlord, 323 E Bay Street RE LLC are owned and managed by Eric Fuller and Manjola Rajta.

The building itself was acquired by the ownership team in 2020 and was recently approved by the DIA Board for DPRP funding in an amount up to \$1,536,350. Staff has reviewed the construction budget required for bringing the building back to a safe and productive use independent of the tenant improvements costs for the build out for operations to ensure there is no duplication of costs involved in these development activities.

The property has no past due property taxes, but owes \$13,563.01 for 2021 prior to March 31, 2022.



Business Plan Highlights:

Proprietors

Mr. Eric Fuller is a 2009 graduate of UNF where upon graduation he went on to help create a concept known as Life In Color (<https://www.youredm.com/2016/12/01/industry-spotlight-eric-fuller-coo-life-color/>). The brand went on to tour globally, selling upwards of half a million tickets annually. In 2011, Fuller co-founded Advanced Concert Productions, a firm that focused on artist touring, design, and rental of production equipment. Both Life In Color and ACP were sold to SFX Entertainment in 2015, he served as an SVP until 2019.

In December of 2016 Eric acquired Club Space, a legendary venue and Miami staple for nightlife. He played an integral role in repositioning the club as a beacon for live music and entertainment, not just to Miami, but to the world. In June of 2019, his group sold majority ownership to Live Nation / Insomniac. Eric lives in Miami where currently owns and operates his company BLNK CNVS Presents (<https://www.blknknvs.com/>). The company programs talent across the North America and produces live music events, festivals, and experiences in the Southeastern part of the United States.

A first generation immigrant, Manjola Rajta moved to the United States in 1998 and began working in the hospitality industry working for Hilton Hotels until 2001 where she was promoted into management ranks. In 2009, she opened Oasis Bar and Grille, where she owned and operated it until she sold it 2012. That same year she purchased First Street Grille which is still in business today operating as Salt Jax Beach. In addition to running Salt, Ms. Rajta owns Albacore Jax LLC, a real estate company she started in 2017 that focuses on buying distressed and stabilized assets and improving them. The company reports having 7MM+ worth of assets, mainly comprised of residential and multi-family properties.

Operations

Per Mr. Fuller, the live music programming at Decca Live would bring all genres of music to the venue with emphasis on EDM initially due to lower costs, ease of programming, and lower risk of cancellation. Over time, the venue will evolve to include EDM, country, rock, and other formats especially as more acts begin to tour as COVID-19 concerns and impacts continue to lessen.

The operators plan to hire a full time talent buyer and operate a three phase approach to booking events:

1. Direct hire where the venue and its management book the talent directly.
2. "Co-pro" involves the co-production of shows with regional and national promoters on a revenue and cost sharing arrangement.
3. "Rentals" where the venue is rented for an exclusive event by a regional or national promoter, often as part of a broader tour.

The applicant proposes the following hours of operation:

Rooftop Hours of operation:

Monday	Closed
Tuesday to Saturday	4pm to 2am
Sunday	4pm to 12am

Decca Live Hours of operation:

Monday & Tuesday	closed (unless private rental)
Wednesday to Sunday	7pm to 2am (contingent upon concert schedule)



The proposed hours for the 2,800 sf rooftop use meet the criteria of the FAB-REP Guidelines, however, the rooftop is not considered direct street front activation. Staff is also sensitive to compliance with the noise ordinance and seeks to ensure that rooftop activation does not become an issue for area residents. Accordingly, a condition of approval will limit amplified music to hours ending at 10:00 PM and that the venue must be in compliance with noise ordinance requirements at all times.

Ticketed, live shows, in the 10,000 sf performance venue are projected to occur on the average of 1.5 per week in the first year of operation, increasing to approximately 2 per week through the second year of operation and increasing further to 2.65 events per week by the fifth year. The projected draw in the first year is 54,200 paid attendances increasing steadily to just under 90,000 by year 5.

Given its visibility and direct access from the street, staff views the daily roof top use, in combination with the expected frequency of live events which are instrumental to the organization's business model, to meet the purpose of the FAB-REP program.

The business proposes to employ four full-time salaried employees including onsite management and Director of Marketing, along with as many as 37 hourly employees to include bar staff, wait staff, security, sweepers, stagehands, and door staff. Security will be maintained by bringing in off-duty JSO police officers when large crowds are expected.

Market Analysis and Summary

- 1,000 indoor capacity (scalable) state of the art venue. Decca Live can host a 500 person event up to 1,000. Due to its size, it allows for a broad range of talent from all genres of music, comedy, and purposes such as private rentals.
- The Rooftop bar allows for weekly programming that is less reliant on entertainment. This is projected to help maintain cash flow consistent and adds value to the real estate and the customer experience.
- The owners see growth in the nightlife activity in downtown and seeks to fill a void in live music performance venues as outlined below:
 1. 1904 Music Hall - 300 person capacity
 2. Jack Rabbits Live - 300 person capacity
 3. Daily's Place - 5,500
 4. The Florida Theater - 1,900 (seated)
 5. Myth Night Club - 400 capacity
 6. Ponte Vedra Concert Hall - 900 capacity

Financial Operations:

The three year operating pro-forma found in the business plan estimates first year revenue at \$2.4 million with revenue centered equally in tickets sales for live performances (\$1.2 million) and bar sales (\$1.1 million). A liquor license will be acquired to allow for full bar operations with additional \$251 thousand in revenue coming from venue rental, and lesser amounts from merchandise sales, sponsorship revenue, and other miscellaneous sources.

On a combined basis, these activities are expected to provide approximately \$24-30,000 in the City's portion of Local Option Sales Tax annually during the five year compliance period.

Principal expenses are found in talent booking fees and associated costs (34.4% of revenue), labor costs (19.2%), S,G,&A (16.6%), lease expense (9.6%), Cost of Goods Sold (7.9%), and marketing (5.4%). The business projects a first year operating loss of approximately \$12,000, improving to show profit of \$167,000 in the second year and climbing to nearly \$631,000 operating profit by year five. Total operating profit for the first five year period is projected to reach just under \$2.0 million.

Terms of the Lease

The draft lease provided between the related entities 323 East Bay Street RE LLC (Landlord) and 323 Bay Street LLC (Tenant) was provided that shows the lease rate of \$17.83 per foot for the 12,900 square foot space, equating to \$19,167 per month or \$23,000 annually. Per the lease, Landlord will be responsible for property taxes and all operating costs (other than pest control) but including repairs and maintenance. Tenant shall purchase and maintain public liability and property damage insurance providing coverage of not less than \$2,000,000. All improvements made by Tenant become the property of Landlord upon installation, which also adheres to the requirements of the FAB-REP guidelines.

Although the lease does not specifically provide a stated free rent period, or a dollar commitment towards tenant improvements, the requirements of minimum 25% contribution from both Landlord and Tenant

are met through the common ownership of each entity. As noted in the Capital Expenditure section below, more than 50% of these costs are provided by the Landlord and Tenant in compliance with the requirements of the FAB-REP guidelines.

Per the FAB-REP application, the lease term shall be fifteen years, in compliance with the minimum term of five years established in the FAB-REP guidelines.

Eligible Tenant Improvements:

Per FAB-REP guidelines, Entertainment Venues are considered a Type 3 establishment with program funding maximums established at the lesser of 1) \$40 per square foot of activated space, or 2) 50% of eligible tenant improvement costs.

1) To determine the appropriate square footage staff views the 10,000 square feet of performance space as eligible at 60% given the anticipated usage level for live events. Further, the roof top bar space does not provide street front activation, the principal purpose of FAB-REP, and is considered supplemental space and thereby also reduced to a 60% limit. With these adjustments in place, the maximum on a per square footage basis is established as $(10,000 \text{ sf} + 2,800 \text{ sf}) \times \$40 \text{ psf} \times 60\% = \$307,200$.

2) Based on the schedule of tenant improvements provided by the applicant (shown below), only the bar buildout (\$128,000), built in booths and seating (\$96,000), and walk-in cooler/freezer (\$38,900) are considered fully eligible while concert audio/visual/lighting (\$340,000) is considered eligible at 25%, and bar equipment and appliances (\$112,500) is considered eligible at 50%. Certain costs from the general construction budget used in underwriting the DPRP commitment were not considered eligible for funding under that program but are considered eligible as tenant improvement costs under FAB-REP. Those include costs associated with a metal framed wall assembly around the performance stage, toilet compartments, bathroom accessories, utility shelving plumbing fixtures, and electrical fixtures as shown in the schedule above. These costs combined total \$543,700, as adjusted, which provides maximum eligibility by this approach \$271,850. This equates to FAB-REP providing 30.6% of the gross funding amount of \$887,450, with the remaining 69.4% covered by the Landlord and Tenant. This level of funding complies with the FAB-REP requirement that a minimum of 50% of total costs be met by the Landlord and Tenant in combination.

ITEM	AMOUNT		
Bar Build Out (4)	\$ 128,000.00	100%	\$ 128,000.00
Built In Booths & Seating	\$ 96,000.00	100%	\$ 96,000.00
Concert Audio / Visual / Lighting	\$ 340,000.00	25%	\$ 85,000.00
Walk In Cooler / Freezer	\$ 38,900.00	100%	\$ 38,900.00
Bar Equipment & Appliances	\$ 112,500.00	50%	\$ 56,250.00
Point Of Sale System	\$ 32,500.00	0%	\$ -
Metal Framed Wall Assembly	\$ 37,800.00	100%	\$ 37,800.00
Toilet Compartments	\$ 14,650.00	100%	\$ 14,650.00
Bathroom Accessories	\$ 8,650.00	100%	\$ 8,650.00
Utility Shelving	\$ 4,500.00	100%	\$ 4,500.00
Plumbing Fixtures	\$ 21,450.00	100%	\$ 21,450.00
Electrical Fixtures	\$ 52,500.00	100%	\$ 52,500.00
TOTAL	\$ 887,450.00		\$ 543,700.00
		50%	\$ 271,850.00

Accordingly, by the maximums established under 1) and 2) above, the FAB-REP amount proposed for approval is the lesser of the two or \$271,850.

Project scoring:

The Project Evaluation Criteria and allocated points are listed below:

1	Business Plan (see point breakdown below) – (up to 30 points)	
	(a) Plan shows good short-term profit potential and contains realistic financial projections (up to 5 points)	3
	(b) Plan shows how the business will target a clearly defined market and its competitive edge (up to 10 points)	5
	(c) Plan shows that the management team has the skills and experience to make the business successful (up to 5 points)	4
	(d) Plan shows that the entrepreneur has made or will make a personal (equity) investment in the business venture (up to 5 points)	3
	(e) Number of job positions created in excess of the required two (2) positions (up to 5 points) Points	4
2	(a) Expansion of the local property tax base by stimulating new investment in older, Downtown properties (up to 5 points) points	4
	(b) Expansion of the local property tax base by stimulating new investment in older, Downtown properties (If the property is a historic property – maximum of 5 additional points) points	4
3	Expansion of the state and local sales tax base by increasing sales for new or existing shops (up to 5 points)	3

Per the table above, the project scores a total of 31 points, which qualifies the development activity for funding in accordance with Retail Enhancement Program guidelines:

- Maximum of 45 points;
- Minimum score of 25 points needed to have the proposed project referred to the Retail Enhancement Review Committee for funding consideration.

Additional FAB-REP Considerations:

Because the Property Owner and Business Owner are commonly owned entities, the requirement found in the FAB-REP guidelines for a minimum of 25% of the tenant improvement cost to be provided by each is met automatically. However, the provision whereby the Property Owner will have a cure period of 180 days to replace the tenant with a similar operating entity should the Business Owner discontinue operations during the FAB-REP five-year compliance period shall remain in place. Failure to meet this requirement will result in a proportional clawback of the amount funded based on the remaining term of the compliance period.

Although the building is a landmarked historic structure, it is not eligible for the Historic Preservation/Adaptive Reuse boost found in the FAB-REP guidelines as the property has been previously approved for funding under the Downtown Preservation and Revitalization program (DPRP).

Goals and Strategic Objectives of the BID Plan Supported by this Proposal:

- A. Goal 1: Reinforce Downtown as the City’s unique epicenter for business, history, culture, education, and entertainment.
 - Increase the opportunities for Downtown employment.

- Protect and revitalize historic assets.
 - Support expansion of entertainment and restaurant facilities.
 - Increase venues, workspaces, and residential opportunities with a focus on the Target Area.
 - Create a consistent theme and image that conveys a sense of the excitement and activity Downtown.
 - Focus efforts on drawing many diverse attractions, rather than a small number of large ones.
- B. Goal 2: Increase rental and owner-occupied housing downtown, targeting key demographic groups seeking a more urban lifestyle.
- Leverage land contributions, infrastructure investments, incentive grants, and low interest loans.
 - Promote and attract neighborhood retail to support downtown residents.
- C. Goal 3: Simplify the approval process for downtown development and improve departmental and agency coordination.
- Initiate public/private partnerships.
 - Identify cooperative property owners/developers and develop key pilot initiatives.
- D. Goal 4: Maintain a clean and safe 24-7 Downtown for residents, workers, and visitors.
- Provide increased walkability through:
 - Support and attract additional commercial, service, residential, transportation, recreation, and open space uses.
 - Redevelop the major road corridors with pedestrian-scale neighborhood retail and services.
 - Enhance the connection with neighborhoods immediately adjacent to Downtown through attractive, walkable/bikeable linkages.

Terms and Conditions:

1. Per FAB-REP guidelines, the award will be structured as:
 - a) Zero-interest, forgivable loan, payable upon completion of the work and receipt by DIA of invoices for goods and services rendered, and proof that recipients paid for such goods and services.
 - b) No interest shall accrue upon the principal of the total loan amount with principal forgiven over a five (5) year period.
 - c) Total principal balance will amortize 20% each year of the compliance period.
 - d) At end of five years, the loan shall be forgiven in its entirety on the condition the improvements are installed and maintained in reasonably good condition and no City Code violations are incurred during the compliance period.
 - e) If it is determined that recipient(s) is in default, interest and full payment of the grant may be demanded.
2. As noted elsewhere, amplified music from the rooftop shall be limited to hours ending at 10:00 PM and the venue must comply with noise ordinance requirements at all times.
3. Minimum Hours of Operation to be maintained as:

Rooftop Hours of operation:

Monday	Closed
Tuesday to Saturday	4pm to 12am
Sunday	4pm to 12am

Decca Live Hours of operation:

Monday & Tuesday

closed (unless private rental)

Wednesday to Sunday

7pm to 12am (contingent upon concert schedule)

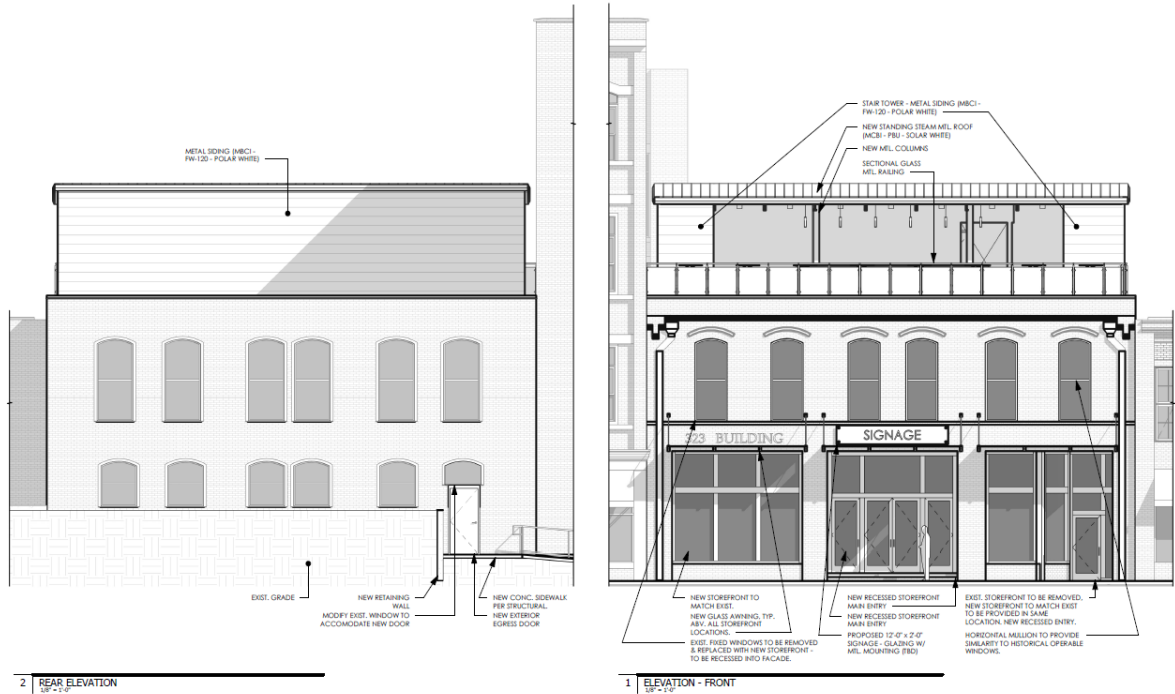
4. Minimum number of employees:
 - a) Full time: Three (3) full-time management staff members, which may include owner operators.
 - b) Hourly: Twenty five (25), which shall not include contracts with third party security or other outsourced labor.
5. Personal Guaranty of payment and performance obligations in the event of default by either Landlord or Tenant to be provided by Mr. Eric Fuller and Ms. Manjola Rajta.
6. Property taxes for 2021 to be paid prior to March 31, 2022. All property taxes, sales taxes, and other property and business related taxes to be maintained current throughout the compliance period.
7. Additional terms and conditions as may be required and as found in the Redevelopment Agreement or other documentation prepared to establish the obligations for this award.

Recommendation:

Approval of a FAB-REP Retail Enhancement Grant in the amount of \$271,850 as outlined above.

DRAFT

Figure 1. North and south elevations



JAA ARCHITECTURE INC.
 3716 ST. JOHNS AVE
 JACKSONVILLE, FL 32206
 P: 904.379.8108
 E: JOHN@JAAARCHITECTURE.COM
 ARCHITECTURE LIC. AR92748

PROJECT 323
(IMP. - NAME TBD)

DDRB - FINAL APPROVAL
 323 E BAY ST
 JACKSONVILLE, FL 32202

11
 0 4'-0" 8'-0" 12'-0"
 SCALE: 1/8" = 1'-0"
 DATE: 7.22.2021
 SHEET: ELEVATIONS

Figure 2. Renderings of rooftop bar configuration



2 | PERSP. AT ROOFTOP (2)

1 | PERSP. AT ROOFTOP (1)

JAA ARCHITECTURE INC.
 3716 ST. JOHNS AVE
 JACKSONVILLE, FL 32206
 P: 904.379.8108
 E: JOHN@JAAARCHITECTURE.COM
 ARCHITECTURE LIC. AR92748

PROJECT 323
(IMP. - NAME TBD)

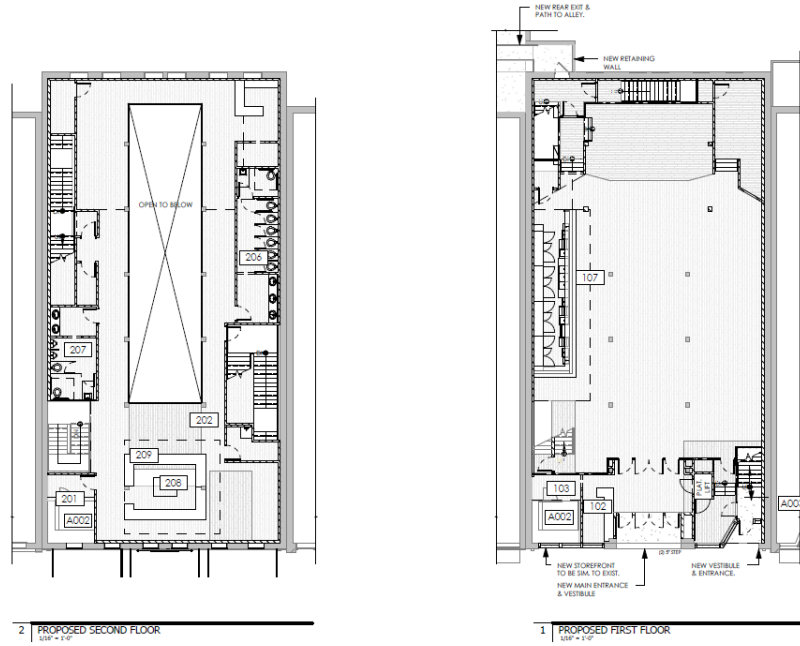
DDRB - FINAL APPROVAL
 323 E BAY ST
 JACKSONVILLE, FL 32202

15
 DATE: 7.22.2021
 SHEET: ROOFTOP PERSP.

Figure 3. Floorplan of the live music venue

PROJECT SUMMARY:

- PROPOSED A-1 & A-2 ASSEMBLY USE (CONCERT VENUE & BARI) AT EXIST. BUILDING LOCATED AT 323 E BAY ST. IN THE CENTRAL CORE (BLOWN DISTRICT).
- APPROXIMATELY 15,000 SF EXIST. FLOOR AREA (5,000 SF PER FLOOR).
- PROPOSED NEW (2,800 SF) ROOFTOP BAR & LOUNGE.
- NEW AWNING AT FRONT FACADE.
- NEW EXIT AT REAR. PER PH. 1 DOCUMENTS.
- PROPOSED 12'0" x 2'0" OVERHANG ARI. MAIN ENTRANCE FOR CONCERT VENUE.
- NEW STOREFRONT AT LEFT SIDE OF FACADE.
- NEW EGRESS VESTIBULE AT RIGHT SIDE OF EXIST. STOREFRONT.
- NEW MAIN ENTRANCE AT CENTER OF FACADE.
- NEW REAR EXIT TO ALLEY.
- COA-21-0442. APPROVED WITH CONDITIONS.



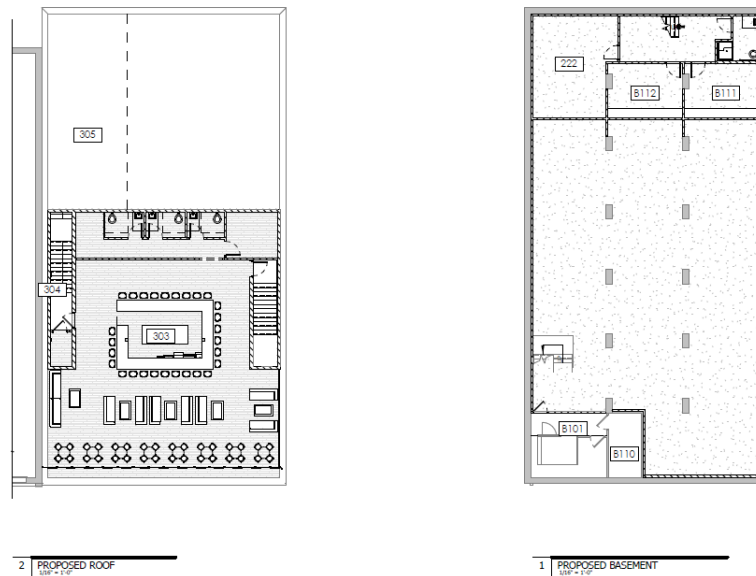
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ARCHITECTURE INC. LIC. AR92748

PROJECT 323
(TEMP - NAME 182)

DDRB - FINAL APPROVAL
323 E BAY ST
JACKSONVILLE, FL 32202

5
0 8'-0" 14'-0" 32'-0"
SCALE: 1/16" = 1'-0"
DATE: 7.22.2021
SHEET: FIRST & SECOND FLOOR

Figure 4. Floorplan of the rooftop bar and the basement



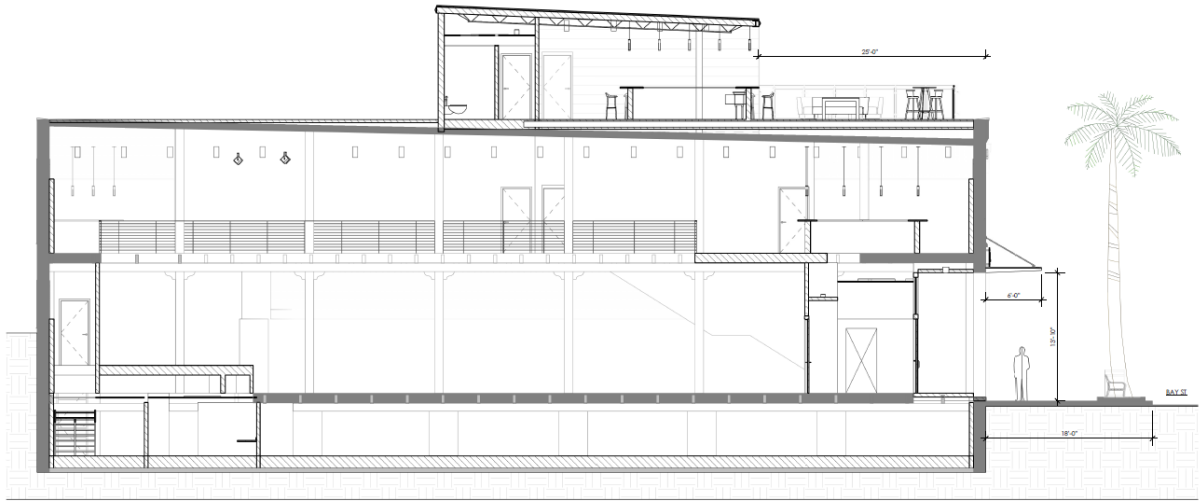
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PROJECT 323
(TEMP - NAME 182)


DDRB - FINAL APPROVAL
323 E BAY ST
JACKSONVILLE, FL 32202

6
0 8'-0" 14'-0" 32'-0"
SCALE: 1/16" = 1'-0"
DATE: 7.22.2021
SHEET: ROOF & BASEMENT

Figure 5. Cutaway view of the property



1 N/S BUILDING SECTION
20'-1'-0"

 <p>JAA ARCHITECTURE INC. 2718 ST. JOHNS AVE. JACKSONVILLE, FL 32208 P: 904.379.5108 E: JOHN@JAAARCHITECTURE.COM ARCHITECTURE INC. LIC. AR92748</p>	<p>PROJECT 323</p> <p><small>(REV. - NAME TAG)</small></p>	<p>DDRB - FINAL APPROVAL</p> <p>323 E BAY ST JACKSONVILLE, FL 32202</p>	<p>0 4'-0" 8'-0" 16'-0" 9</p>
			<p>SCALE: 1/8" = 1'-0"</p>
			<p>DATE: 7.22.2021</p>
			<p>SHEET: BUILDING SECTION</p>

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TAB V

RESOLUTION 2022-03-02: THE HARDWICK TERM SHEET