

RESOLUTION 2017-07-01

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) INSTRUCTING THE CHIEF EXECUTIVE OFFICER (“CEO”) TO TAKE ALL NECESSARY ACTION TO ENTER INTO A LOAN MODIFICATION WITH THE CITY OF JACKSONVILLE SELF INSURANCE FUND (“SIF”) EXTENDING THE TERM; AND REDUCING THE INTEREST RATE; AND ALSO REDUCING THE ANNUAL PAYMENT DUE FROM THE LOAN FROM THE SIF TO THE DOWNTOWN EAST TAX INCREMENT TRUST FUND (TID”) USED TO FUND THE REDEVELOPMENT OF THE LYNCH BUILDING (11E) IN DOWNTOWN; AFFIRMING THE PROPOSED TERMS IDENTIFIED IN EXHIBIT ‘A’; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, DIA is the designated Community Redevelopment Agency for the North Bank Community Redevelopment Area (“CRA”), to which a Community Redevelopment Plan was adopted by Ordinance 2014-0560-E; and

WHEREAS, the DIA is the Successor Agency to the Jacksonville Economic Development Commission with respect to the three (3) Downtown Tax Increment Finance Districts; and

WHEREAS, on December 12, 2000 the City of Jacksonville, via Ord. 2001-795-E, and through the JEDC, issued a loan from the SIF to the Northbank Downtown [EAST] Tax Increment District Trust Fund (the “TID”) in the amount of \$17,816,000 with a 20 year term, 40 year amortization schedule, and an interest rate of 6% per annum; and

WHEREAS, from 2003 through and including 2017, the TID has made annual payments to the Fund in the amount of \$1,294,313.43; and

WHEREAS, on October 1, 2021 the final loan payment is due, including a principal balloon payment, in the amount of \$8,290,400.64; and

WHEREAS, the existing payment schedule places an annual burden on the TID which restricts the ability of the DIA to incentivize new projects, and the current projections for TID revenue indicate that the TID will not have sufficient funds to make the 2021 balloon payment; and

WHEREAS, the Fund has agreed to seek legislation to restructure the loan to the TID, reducing the interest rate to 3% per annum, reducing the annual payment to \$800,000, and extending the term of the loan from October 1, 2021 to July 1, 2033; 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 approves the proposed loan modification terms, and supports the Fund in sponsoring legislation to enact the proposed loan modifications.

Section 3. The DIA instructs the Chief Executive Officer of the Downtown Investment Authority to take all necessary action to effectuate the purposes set forth in this Resolution, including, but not limited to, the execution of all contracts, loan documents, and other instruments.

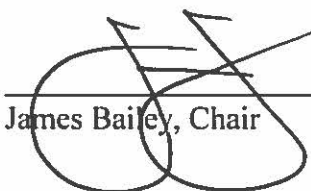
Section 4. The DIA affirms its concurrence with the proposed terms and conditions included hereto as Exhibit 'A'.

Section 5. This Resolution shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY





James Bailey, Chair

Date July 19, 2017

VOTE: In Favor: 6 Opposed: 0 Abstained: 0

FORM APPROVAL:

Office of General Counsel

11E Lynch Building City Amortization Change Interest Rate and Payments

KASfinancing/6.20.17

6.00%

Date	FY Budget	Payment	Interest	Principal	Balance
7/1/03					17,816,000.00
9/30/03		323,578.25	267,240.00	56,338.25	17,759,661.75
10/1/03	2002/03	1,294,313.43		1,294,313.43	16,465,348.32
9/30/04	2003/04	1,294,313.43	987,920.90	306,392.53	16,158,955.79
9/30/05	2004/05	1,294,313.43	969,537.35	324,776.08	15,834,179.71
9/30/06	2005/06	1,294,313.43	950,050.78	344,262.65	15,489,917.06
9/30/07	2006/07	1,294,313.43	929,395.02	364,918.41	15,124,998.65
9/30/08	2007/08	1,294,313.43	907,499.92	386,813.51	14,738,185.14
9/30/09	2008/09	1,294,313.43	884,291.11	410,022.32	14,328,162.82
9/30/10	2009/10	1,294,313.43	859,689.77	434,623.66	13,893,539.16
9/30/11	2010/11	1,294,313.43	833,612.35	460,701.08	13,432,838.08
9/30/12	2011/12	1,294,313.43	805,970.28	488,343.15	12,944,494.93
9/30/13	2012/13	1,294,313.43	776,669.70	517,643.73	12,426,851.20
9/30/14	2013/14	1,294,313.43	745,611.07	548,702.36	11,878,148.84
9/30/15	2014/15	1,294,313.43	712,688.93	581,624.50	11,296,524.34
9/30/16	2015/16	1,294,313.43	677,791.46	616,521.97	10,680,002.37
9/30/17	2016/17	1,294,313.43	640,800.14	653,513.29	10,026,489.09

3.00%

9/30/18	2017/18	800,000.00	300,794.67	499,205.33	9,527,283.76
9/30/19	2018/19	800,000.00	285,818.51	514,181.49	9,013,102.27
9/30/20	2019/20	800,000.00	270,393.07	529,606.93	8,483,495.34
9/30/21	2020/21	800,000.00	254,504.86	545,495.14	7,938,000.20
9/30/22	2021/22	800,000.00	238,140.01	561,859.99	7,376,140.20
9/30/23	2022/23	800,000.00	221,284.21	578,715.79	6,797,424.41
9/30/24	2023/24	800,000.00	203,922.73	596,077.27	6,201,347.14
9/30/25	2024/25	800,000.00	186,040.41	613,959.59	5,587,387.56
9/30/26	2025/26	800,000.00	167,621.63	632,378.37	4,955,009.18
9/30/27	2026/27	800,000.00	148,650.28	651,349.72	4,303,659.46
9/30/28	2027/28	800,000.00	129,109.78	670,890.22	3,632,769.24
9/30/29	2028/29	800,000.00	108,983.08	691,016.92	2,941,752.32
9/30/30	2029/30	800,000.00	88,252.57	711,747.43	2,230,004.89
9/30/31	2030/31	800,000.00	66,900.15	733,099.85	1,496,905.04
9/30/32	2031/32	800,000.00	44,907.15	755,092.85	741,812.19
7/1/33	2032/33	758,502.96	16,690.77	741,812.19	-
		32,496,782.66	14,680,782.66	17,816,000.00	