



Downtown Investment Authority
Retail Enhancement and Property Disposition Committee Hybrid
Meeting
Tuesday, January 18th, 2022 – 2:00 p.m.

RE&PD Committee Hybrid Meeting
(Approved) MEETING MINUTES

Retail Enhancement and Property Disposition Committee Members in Attendance:

Oliver Barakat, Chair	David Ward, Esq., Committee Member
Carol Worsham, Committee Member	Todd Froats, Committee Member
Braxton Gillam, Esq., DIA Chair (Ex officio)	

Committee Members Excused: None

Board Members in Attendance: Jim Citrano; Craig Gibbs, Esq. (via Zoom)

DIA Staff Present: Lori Boyer, Chief Executive Officer; Steve Kelley, Director of Downtown Real Estate and Development; Ina Mezini, Marketing and Communications Specialist; and Lori Radcliffe-Meyers, Downtown Development Coordinator (via Zoom)

Office of General Counsel: John Sawyer, Esq.

I. CALL TO ORDER

The Retail Enhancement and Property Disposition Committee meeting of January 18th, 2022, was called to order at 2:03 p.m. by DIA Chairman Gillam.

Chairman Gillam called for each Committee Member, Board Member, and DIA staff present to introduce themselves.

Committee Chair Oliver Barakat arrived.

Committee Chairman Barakat agreed to take up Item IV.b before Item IV.a at the request of DIA CEO Lori Boyer.

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	Advocated for more affordable housing opportunities and spoke to the need for a rent control ordinance
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III. NOVEMBER 16, 2021 RETAIL ENHANCEMENT AND PROPERTY DISPOSITION COMMITTEE MEETING MINUTES APPROVAL

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

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

Seconded: Committee Member Ward seconded the motion

Vote: Aye: 5 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 5-0-0.

IV. DISCUSSION ITEMS

b. RESOLUTION 2022-01-03: MOSH DISPOSITION

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) APPROVING THE DISPOSITION BY GROUND LEASE OF A 2.5 ACRE PARCEL (THE “MUSEUM PARCEL”) OF CITY-OWNED REAL PROPERTY LOCATED WITHIN THE BOUNDARY OF THE PARCEL DEPICTED ON EXHIBIT A ATTACHED HERETO (THE “PROPERTY”) AND COMPRISING A PORTION THE LAND GENERALLY KNOWN AS SHIPYARDS EAST LOCATED BETWEEN GATOR BOWL BOULEVARD AND THE ST. JOHNS RIVER, AND IDENTIFIED BY DUVAL COUNTY TAX PARCEL NUMBER RE#130571-000, (“THE PROPERTY”) IN ACCORDANCE WITH THE TERMS ATTACHED HERETO AS EXHIBIT A TO THE MUSEUM OF SCIENCE AND HISTORY (“MOSH”) (THE “DEVELOPER”); FINDING THAT THIS RESOLUTION FURTHERS THE BUSINESS INVESTMENT AND DEVELOPMENT (“BID”) PLAN, INCLUDING THE COMMUNITY REDEVELOPMENT AREA PLAN; AUTHORIZING THE CEO OF THE DIA TO TAKE ALL ACTION NECESSARY TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

CEO Boyer provided an overview of the MOSH Disposition, stating that negotiations with MOSH regarding the term sheet have concluded. The following was noted: 1) surface parking for buses is no longer permitted but there will be a loading/unloading zone; 2) the City would forego property taxes and a lease payment; 3) the term sheet provides general guidance for the design of the property but provides MOSH with creative freedom; 4) the old MOSH property on the Southbank will be returned to the City upon completion of the new development on the Northbank, adding that the goal is activation and to not expect a positive ROI.

Board Member Citrano asked how the 2.5 acres for the building footprint came to be. CEO Boyer responded that the 2.5 acres was the direction given to the design firm for space that would be exclusively used by MOSH. 1.5 acres of the property will be partnership space. The partnership space will be public park space that MOSH can use for exclusive events and programming on an occasional basis.

DIA Chair Gillam expressed his support for the project.

Committee Member Froats commented that if costs were to be higher than anticipated, the building footprint wouldn't be reduced.

Committee Member Ward expressed that he is excited for the project and hopes it will provide one of the missing links to the area.

Committee Member Worsham commented that she is not concerned about the lack of ROI and believes the project will provide a great benefit to the area with activation and vibrancy. CEO Boyer responding to a question, stated that the required setback is a of minimum 50 ft but that the developer will try for 100 ft or more to the extent possible.

Board Member Gibbs expressed his excitement for the project.

Chairman Barakat commented that he believes the project will help to activate the area and likes the idea of the site plan coming back to the Board for approval. CEO Boyer responding to a question regarding the timeline of the project, stated that MOSH requested an extra year for the construction phase which brings the completion date to 2027 and confirmed the need for a correction to the language in the Ground Lease Terms portion of Exhibit A. Museum of Science and History (MOSH) CEO Bruce Fafard commented that the request stemmed from the logistic and supply chain issues resulting from the pandemic.

Chairman Barakat called for a motion.

Motion: Committee Member Worsham moved to approve Resolution 2022-01-03 with the correction identified by CEO Boyer

Seconded: Committee Member Ward seconded the motion

Vote: Aye: 5 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 5-0-0.

a. RESOLUTION 2022-01-02: FORD ON BAY COURTHOUSE DISPOSITION

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) ADOPTING THE RECOMMENDATION OF THE RETAIL ENHANCEMENT AND PROPERTY DISPOSITON COMMITTEE SELECTING CARTER (“DEVELOPER”) AS THE MOST RESPONSIVE BIDDER TO NOTICE OF

DISPOSITION ISP-0287-22 FOR THE DEVELOPMENT/REDEVELOPMENT OF CITY OWNED RIVERFRONT PROPERTY COMPRISED OF DUVAL COUNTY TAX PARCELS 074443-0000 (220 EAST BAY STREET) AND 073358-0000 (330 EAST BAY STREET (THE “SOLICITATION”)); FINDING THE CARTER PROPOSAL, ATTACHED HERETO AS EXHIBIT ‘A’, IN FURTHERANCE OF THE NORTH BANK DOWNTOWN CRA PLAN AND IN THE PUBLIC INTEREST; AUTHORIZING THE CEO OF THE DIA TO COMMENCE NEGOTIATIONS WITH THE DEVELOPER AND PRESENT TO THE DIA BOARD A TERM SHEET FOR DISPOSITION AND DEVELOPMENT OF THE PROPERTY (“COURTHOUSE SITE”) IN ACCORDANCE WITH THE PROPOSAL SUBMITTED BY DEVELOPER AND OTHERWISE TAKE ALL NECESSARY ACTION TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING AN EFFECTIVE DATE.

CEO Boyer provided a brief overview of the Ford on Bay disposition.

John Sawyer (Office of General Counsel) confirmed that board members are not permitted to communicate with bid respondents until after the Board has selected and voted on a winning bidder.

Committee Members Froats, Gillam, and Barakat stated for the record that they received calls from developers, but they did not return those phone calls.

CEO Boyer provided a summary of the bids received, stating the following:

- Respondents include Carter, Mid-America Apartments, Related Development, SouthEast Development Group, Silver Hills Development, and VanTrust Real Estate.
- All proposals featured residential and were mixed-use designs.
- One respondent submitted after the deadline and was not accepted.
- Scorers include Carol Worsham, Jim Citrano, Lori Boyer, and Stephanie Burch.
- Carter received the most points by all four scorers.

Committee Members Worsham and Citrano spoke to the attractiveness of the Carter proposal. The following were highlighted:

- The complete activation of the ground floor from Bay Street to the river
- The elevated eastern portion of the building integrates well with the courtyard and the design of the waterfront plaza
- The 100 ft setback enhances the open space between the building and the river
- Provides for an ecological buffer to address resiliency
- Pays homage to the city’s history

Chairman Barakat reminded the committee that they are not bound by the evaluation committee’s scoring and called for comments.

Committee Member Froats provided a summary of how he ranked each proposal.

Committee Member Ward expressed support for the Carter proposal.

Board Member Gibbs expressed support for the Carter proposal and stated that he is looking forward to hearing about the developer's financials from CBRE.

Chairman Barakat expressed support for the Carter proposal but noted his concern over the financial aspect of the project. He cited the high average rents (\$2.79/sf) for the proposal but also acknowledged that the Related Group had similar numbers (Related Group's was \$0.20 higher).

Chairman Barakat called upon CBRE to speak to the financial proposal.

Ms. Lee Ann Korst (CBRE) provided a brief overview of her conversations with Carter's financial references, noting that their references gave high remarks in areas such as communication, collaboration, execution, and staying power.

Chairman Barakat called upon Carter to speak to their interest in the property and the Jacksonville market.

Mr. Scott Taylor (Carter) spoke to his firm's history and why they believe Florida and Jacksonville are attractive markets. He also noted the local and regional partnerships that are the foundation of their proposal.

Committee Member Froats commented on the importance of the site.

Committee Member Ward expressed his support for the project and that he would like to see aggressive but reasonable time commitments on the financing and construction of the project.

CEO Boyer responding to a question, stated that the purpose of today's meeting is to provide a recommendation to the full Board. Adding that, the resolution provides for a 75-day deadline to come to agreement on a term sheet. Mr. Taylor expressed Carter's alignment with the DIA's desire for an aggressive timeline.

Chairman Barakat called for a motion.

Motion: Committee Member Worsham moved to approve Resolution 2022-01-02 with the recommendation of the Carter proposal as the selected developer

Seconded: Committee Member Froats seconded the motion

Vote: Aye: 5 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 5-0-0.

Chairman Barakat welcomed the respondents to enter public comments at the next full Board meeting to present their case.

V. OLD BUSINESS

None.

VI. NEW BUSINESS

None.

VII. ADJOURNMENT

Seeing no further matters for discussion, Chairman Barakat adjourned the meeting at 3:37 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.