



Downtown Investment Authority Agenda

**Hybrid Virtual In-Person Meeting
Wednesday, April 20, 2022 at 2:00 p.m.**

MEMBERS:

Braxton Gillam, Esq., Chairman
Carol Worsham, Vice Chairwoman
Jim Citrano, Secretary
Oliver Barakat, Board Member

Ron Moody, Board Member
Todd Froats, Board Member
Craig Gibbs, Esq., Board Member
David Ward, Esq. Board Member

BOARD MEMBERS EXCUSED:

I. CALL TO ORDER

II. PUBLIC COMMENTS*

III. COMMUNITY REDEVELOPMENT AGENCY

- A. March 16, 2022 Community Redevelopment Agency Meeting Minutes
- B. Resolution 2022-04-03: SS FY 21-22 CRA Budget Amendment (Lori Boyer, CEO)
- C. Resolution 2022-04-04: NB FY 21-22 CRA Budget Amendment (Lori Boyer, CEO)
- D. Resolution 2022-04-05: NB TID Amendment – MPS (Lori Boyer, CEO)
- E. Resolution 2022-04-07: AR Polar Disposition (Lori Boyer, CEO)
- F. Resolution 2022-04-09: 100 E Adams Street FAB-REP (Steve Kelley, Director of Downtown Real Estate and Development)
- G. Resolution 2022-04-10: Fincantieri REV Grant (Steve Kelley, Director of Downtown Real Estate and Development)
- H. Other Matters To Be Added At The Discretion Of The Chair

IV. DOWNTOWN INVESTMENT AUTHORITY

- A. March 16, 2022 Downtown Investment Authority Board Meeting Minutes
- B. Resolution 2022-04-01: Amendment to DIA Bylaws – Consent Agenda (Lori Boyer, CEO)
- C. Resolution 2022-04-02: Consent Agenda Financial Matters (Lori Boyer, CEO)
- D. Resolution 2022-04-06: 2022 ULI FL Summit Sponsorship (Lori Boyer, CEO)
- E. Resolution 2022-04-08: Downtown Vision, Inc. FY 22-23 Budget (Lori Boyer, CEO)
- F. Resolution 2022-04-11: 1001 Kings Avenue DPRP (Steve Kelley, Director of Downtown Real Estate and Development)
- G. Resolution 2022-04-12: Union Terminal Authorization (Steve Kelley, Director of Downtown Real Estate and Development)
- H. Resolution 2022-04-13: BID and CRA Ratification (Lori Boyer, CEO)
- I. Other Matters To Be Added At The Discretion Of The Chair

V. OLD BUSINESS

VI. NEW BUSINESS

VII. CEO INFORMATIONAL BRIEFING

VIII. CHAIRMAN REPORT

IX. ADJOURN

**Only individuals attending the meeting in-person will have an opportunity to provide 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.*

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/aclhApg5DJ>

TAB III.A
MARCH 16, 2022
COMMUNITY REDEVELOPMENT AGENCY MEETING MINUTES



Downtown Investment Authority
Hybrid Meeting
Wednesday, March 16, 2021 – 2:00 p.m.

Community Redevelopment Agency
MEETING MINUTES

DIA Board Members (BM): Braxton Gillam, Esq., Chair; Carol Worsham, Vice Chair; Jim Citrano, Secretary; Oliver Barakat; Craig Gibbs, Esq.; Todd Froats; and Ron Moody

DIA Board Members Excused: David Ward, Esq.

Mayor’s Staff: None

Council Members: None

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

Office of General Counsel: John Sawyer, Esq.

I. CALL TO ORDER

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

II. PUBLIC COMMENTS

Chairman Gillam 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 affordable housing and equitable economic outcomes for minorities. Urged the DIA and CEO Boyer to advocate for the repeal of the Faircloth Amendment
Bruce Fouraker	Advocated for a convention center at the Ford on Bay property. Expressed support for the Furchgott’s building redevelopment project.

III. COMMUNITY REDEVELOPMENT AGENCY MEETING

A. FEBRUARY 23 2022 COMMUNITY REDEVELOPMENT AGENCY MEETING MINUTES

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

Motion: BM Moody moved to approve the minutes as presented

Seconded: BM Member Worsham seconded the motion

Vote: Aye: 7 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 7-0-0.

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

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.

DIA’s Steve Kelley introduced the resolution, stating that the applicant seeks a Food and Beverage – Retail Enhancement Program (FAB-REP) Retail Enhancement Grant for a proposed two-story live music venue located on Bay Street. The venue will also feature a rooftop bar and a basement.

Motion: Recommended for approval out of the REPD Committee

BM Barakat asked what is the total percentage of costs being covered by DIA incentives (including both the DPRP and FAB-REP funding). Mr. Kelley responded that it is less than 50 percent, and estimates it to be closer to 40 percent, if not slightly below.

Responding to a question from BM Barakat, Mr. Kelley stated that he has not received any comments from Churchwell Lofts at East Bay Condominium Association regarding the project. Adding that, there is a building between the venue and Churchwell Lofts so the two do not share a wall. BM Barakat urged the Board to be cautious about the impact the loud music could have on the quality of life of nearby residents.

BM Worsham commented that the concerts will be inside and not on the rooftop.

BM Citrano reiterated the sentiments expressed at the REPD Committee meeting and expressed his support for the project.

BM Gibbs urged for caution regarding the loud music and the potential impact on nearby residents.

Steve Diebenow, on behalf of the developer, stated that his client is in agreement with the prohibition of amplified music after 10:00 PM and reiterated that the venue must also be in compliance with the noise ordinance requirements at all times.

BM Froats commented that the venue will be great for the area.

Chairman Gillam asked what the total cost of the project is. Mr. Diebenow responded that total construction costs are \$2.7M, builder's risk insurance is \$700,000, the building cost \$1.4M, \$750,000 for a liquor license, which comes out to approximately \$5.7M.

Responding to a question from BM Gibbs regarding the venue's name, "Decca," Mr. Diebenow commented that there doesn't appear to be a concern for copy right infringement but added that the developer is willing to change the name if an issue presents itself. There is no affiliation between the developer and Decca Records.

Mr. Kelley confirmed that the interior space for the live music venue is 10,000 sq ft while the roof top is approximately 2,800 sq ft.

Chairman Gillam commented that this is an expensive project and may not be economically feasible without the DIA's ability to provide financial incentives. He further echoed the support expressed by the other Board Members.

Vote: Aye: 7 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 7-0-0.

C. RESOLUTION 2022-03-02: THE HARDWICK TERM SHEET

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY ("DIA") EXTENDING THE TIME FOR NEGOTIATION OF A TERM SHEET WITH CARTER ("DEVELOPER") AUTHORIZED PURSUANT TO RESOLUTION 2022-01-02 THROUGH MAY 18, 2022; AUTHORIZING THE CEO OF THE DIA TO CONTINUE NEGOTIATIONS WITH THE DEVELOPER AND PRESENT TO THE DIA BOARD IN MAY A TERM SHEET FOR DISPOSITION AND DEVELOPMENT OF THE PROPERTY ("COURTHOUSE SITE") IN ACCORDANCE WITH THE PROPOSAL SUBMITTED BY DEVELOPER; AUTHORIZING THE RELEASE OF ALL PREFORMANCE BONDS PROVIDED BY OTHER BIDDERS ON ISP-0287-22; AND OTHERWISE AUTHORIZING THE CEO TO TAKE ALL NECESSARY ACTION TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING AN EFFECTIVE DATE.

CEO Boyer introduced the resolution, stating that it seeks to extend the time for negotiation of a term sheet with Carter until May 18th, 2022.

Motion: Recommended for approval out of the REPD Committee

BM Worsham reiterated the REPD Committee’s unanimous support for the resolution.

No further comments were offered from the Board.

Vote: Aye: 7 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 7-0-0.

D. RESOLUTION 2022-03-07: HONEYZ SIDEWALK ENHANCEMENT GRANT

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 SIDEWALK ENHANCEMENT LOAN TO HONEYZ PLATES INC. (“GRANTEE”); AUTHORIZING THE CEO OF THE DIA TO NEGOTIATE A FORGIVABLE LOAN AGREEMENT OR EQUIVALENT; AUTHORIZING THE DIA CEO TO EXECUTE SUCH AGREEMENT; AND FINDING THAT THE PROPOSED SIDEWALK CAFÉ FURTHERS THE DIA’S BUSINESS INVESTMENT AND DEVELOPMENT PLAN, INCLUDING THE NORTHBANK CRA PLAN (“BID PLAN”) AND PROVIDING AN EFFECTIVE DATE.

DIA’s Antonio Posey presented the resolution, stating that the applicant is seeking funding through a Retail Enhancement Program Forgivable Sidewalk Enhancement Loan. They are proposing to add two café tables, four chairs, and a heating lamp to the sidewalk in front of their existing location at 47 W Adams St. The property is located within the Hogan Street and Laura Street defined district of the Targeted Retail Activation: Food and Beverage Establishments Program (FAB-REP). Staff is recommending approval.

Motion: BM Worsham moved to approve Resolution 2022-03-07

Second: BM Moody seconded the motion

BM Froats asked if this request falls under the new program where it passes simply for meeting the requirements. Mr. Kelley responded that it meets all requirements. BM Froats then asked if this can be approved by staff without having to come to the Board for approval. CEO Boyer spoke to the idea of a consent agenda, adding that staff does not have the authority to grant incentives regardless of the amount. Though, the Board has given staff the authority to provide sponsorships up to \$2,500. Chairman Gillam and BM Barakat expressed their support for a consent agenda.

Vote: Aye: 7 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 7-0-0.

E. RESOLUTION 2022-03-08: NORTHBANK TID BUDGET

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY BOARD OF THE COMBINED NORTHSIDE EAST AND NORTHWEST CRA'S RECOMMENDING THE APPROPRIATION OF THE PROCEEDS RECEIVED FROM THE SALE OF THE FORSYTH AND MAIN LOT TO THE TWO WAY STREET CONVERSION OF FORSYTH AND ADAMAS PROJECT AS CONTEMPLATED BY THE BOARD IN 2020; ADOPTING AN FY 21-22 AMENDED TAX INCREMENT DISTRICT ("TID") BUDGET AS DETAILED IN EXHIBIT 'A' ATTACHED HERETO 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.

CEO Boyer introduced the resolution, stating that it seeks to authorize the transfer of the revenue of the sale of the Forsyth and Main parking lot to the two-way street conversion project for Forsyth and Adams. It was previously contemplated that the funds from the sale of the new JEA property as well as the parking lot sale would be used for the construction of the two-way street conversion. The design is expected to be complete by June with construction commencing this summer.

Motion: Recommended for approval out of the Strategic Implementation Committee

BM Froats asked where the DIA stands on the fund balance. CEO Boyer responded that she believes there is approximately \$7M after design. Adding that, they have requested that a simple version and more comprehensive version for the purposes of knowing what can be implemented based on the construction costs.

BM Gibbs brought attention to a typo in the 6th line of the short title ["Adamas"].

Vote: Aye: 7 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 7-0-0.

ADJOURNMENT: The Community Redevelopment Agency proceedings are adjourned at 2:42 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 2022-04-03: SS FY 21-22 CRA BUDGET AMENDMENT

RESOLUTION 2022-04-03

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY, ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY BOARD OF THE SOUTHSIDE CRA, ADOPTING A FY 21-22 AMENDED TAX INCREMENT DISTRICT (“TID”) BUDGET AS DETAILED IN EXHIBIT ‘A’ ATTACHED HERETO FOR THE SOUTHSIDE CRA PURSUANT TO SEC. 163.387, F.S. AND SEC. 106.341, ORDINANCE CODE; PROVIDING AN EFFECTIVE DATE.

WHEREAS, in accordance with Sec. 106.340-106.346, Ordinance Code, the Board has been given authority to allocate and transfer funds within the CRA budget in accordance with the provisions of those sections, without further Council approval; and

WHEREAS, pursuant to section 106.341, Jacksonville Code of Ordinances, during the fiscal year a CRA Board may allocate and transfer funds between Unallocated Plan Authorized Expenditures and existing CRA Board approved Programs, Plan Capital Projects, or Plan Professional Services, without further Council approval; and

WHEREAS, the DIA board hereby authorizes the amendment of the FY 21-22 Southside CRA Budget in accordance with the provisions set forth in section 106.341 and 106.344, Jacksonville Code of Ordinances and Exhibit ‘A’ to this resolution,

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 amends the FY 21-22 budget in accordance with Exhibit ‘A’ attached hereto and directs staff of the DIA to prepare and file a CRA Budget Transfer Form as necessary to effectuate the purposes of this Resolution.

Section 3. The DIA Board hereby authorizes the CEO to take all actions necessary to effectuate the intent of this Resolution.

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

W. Braxton Gillam, IV, Esq., Chair

Date

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

RESOLUTION 2022-04-03

EXHIBIT 'A'

FROM: UNALLOCATED PLANNED AUTHORIZED EXPENDITURES: \$383,963

TO: (NEW) SB PARKING SCREENING GRANT: \$150,000

TO: (NEW) SB BANNERS & ARMS: \$ 20,000

TO: (NEW) SB ADVERTISING & MARKETING: \$ 50,000

TO: (NEW) SB DOWNTOWN MAINTENANCE: \$ 50,000

TO: (NEW) SB PARK ACQUISITION AND CAPITAL IMPROVEMENTS: \$113,963

\$383,963

(Remaining \$50,000 in Unallocated to be held for transfer to Supervision Allocation if additional staffing approved in 21-22)

TAB III.C
RESOLUTION 2022-04-04: NB FY 21-22 CRA BUDGET AMENDMENT

RESOLUTION 2022-04-04

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY BOARD OF THE COMBINED NORTHSIDE EAST AND NORTHWEST CRA'S ADOPTING AN FY 21-22 AMENDED TAX INCREMENT DISTRICT ("TID") BUDGET AS DETAILED IN EXHIBIT 'A' ATTACHED HERETO 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.

WHEREAS, in accordance with Sec. 106.340-106.346, Ordinance Code, the Board has been given authority to allocate and transfer funds within the CRA budget in accordance with the provisions of those sections, without further Council approval; and

WHEREAS, pursuant to section 106.341, Jacksonville Code of Ordinances, during the fiscal year a CRA Board may allocate and transfer funds between existing CRA Board approved Programs, Plan Capital Projects or Plan Professional Services without further Council approval; and

WHEREAS, the DIA board hereby authorizes the amendment of the 21-22 Combined Northside East and Northwest CRA in accordance with the provisions set forth in section 106.341 and 106.344, Jacksonville Code of Ordinances and Exhibit 'A' to this resolution,

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 amends the Combined Northside East and Northwest FY 21-22 CRA budget in accordance with Exhibit 'A' attached hereto and directs staff of the DIA to prepare and file a CRA Budget Transfer Form as necessary to effectuate the purposes of this Resolution.

Section 3. The DIA Board hereby authorizes the CEO to take all actions necessary to effectuate the intent of this Resolution.

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

W. Braxton Gillam, IV, Esq., Chair

Date

VOTE: In Favor: ____ Opposed: ____ Abstained: ____

RESOLUTION 2022-04-04
EXHIBIT 'A'

FROM:	UNALLOCATED PLANNED AUTHORIZED EXPENDITURES:	\$323,402
TO:	SHOTGUN HOUSES:	\$100,000
TO:	NB PLAN PROFESSIONAL SERVICES	\$223,402

FROM:	NORTHBANK FAÇADE PROGRAM:	\$300,000
TO:	(NEW) NORTHBANK SCREENING GRANT:	\$200,000
TO:	NB PLAN PROFESSIONAL SERVICES	\$100,000

TAB III.D
RESOLUTION 2022-04-05: NB TID AMENDMENT – MPS

RESOLUTION 2022-04-05

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY BOARD OF THE COMBINED NORTHSIDE EAST AND NORTHWEST CRA PROPOSING A FY 21-22 AMENDED TAX INCREMENT DISTRICT (“TID”) BUDGET AS DETAILED IN EXHIBIT ‘A’ ATTACHED HERETO FOR THE COMBINED NORTHSIDE EAST AND NORTHWEST CRA PURSUANT TO SEC. 163.387, F.S. AND SEC. 106.341, ORDINANCE CODE TO IMMEDIATELY REALLOCATE AND PUT INTO USE \$2 MILLION OF SAVINGS PREVIOUSLY BUDGETED FOR THE MPS FINANCIAL OBLIGATION OF THE CRA; REQUESTING THAT THE JACKSONVILLE CITY COUNCIL APPROVE THE AMENDED BUDGET; AUTHORIZING THE DOWNTOWN INVESTMENT AUTHORITY CHIEF EXECUTIVE OFFICER TO TAKE ALL NECESSARY ACTION, INCLUDING THE FILING OF LEGISLATION, TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION; PROVIDING AN EFFECTIVE DATE.

WHEREAS, pursuant to section 55.108, Jacksonville Code of Ordinances, the Downtown Investment Authority (“DIA”) serves as the City's Community Redevelopment Agency (“CRA”) with regard to the Downtown CRAs (Southside Community Redevelopment Area and the Downtown Northbank Community Redevelopment Area);

WHEREAS, during the City’s annual budget process, the DIA puts forward for consideration by the Administration and the Jacksonville City Council, budgets for its CRAs; and

WHEREAS, via Ordinance 2022-0504 the Jacksonville City Council adopted a budget for the Combined Northside East and Northwest CRA, which included a \$5.2 million financial obligation for the subsidy of the three (3) Metropolitan Parking Solutions garages; and

WHEREAS, Ordinance 2022-138 authorized a legal settlement agreement among the City, the Downtown Investment Authority (DIA) and Metropolitan Parking Solutions, LLC (MPS) to end ongoing litigation among the parties, which will result in an approximate savings of \$2.7 million of the FY 21-22 Metropolitan Parking Solutions garage subsidy; and

WHEREAS, the DIA desires to transfer the \$2.0 million in savings from the FY 21-22 Metropolitan Parking Solutions garage financial obligation to other administrative and project/programs as identified in Exhibit ‘A’ to this resolution to establish funding for several incentive programs, provide for an increase in the administrative supervision allocation; and authorize funding of the LaVilla Heritage Trail and gateways project; and

WHEREAS, pursuant to section 106.341, Jacksonville Code of Ordinances, the requested transfer requires Council appropriation as the CRA Board may not transfer funds budgeted within the Financial Obligations Category prior to payment of all expenses for the fiscal year, without prior Council approval,

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 Board recommends approval of the Combined Northside East and Northwest CRA FY 21-22 budget amendment in accordance with Exhibit 'A' attached hereto.

Section 3. The DIA Board requests that the Jacksonville City Council approve the Combined Northside East and Northwest CRA FY 21-22 Budget amendment as proposed by Exhibit 'A' to this resolution.

Section 4. The DIA Board directs the Chief Executive Officer of the DIA to prepare and file legislation and take all necessary action to effectuate the purposes of this Resolution.

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

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

W. Braxton Gillam, IV, Esq., Chair

Date

VOTE: In Favor: ____ Opposed: ____ Abstained: ____

RESOLUTION 2022-04-05
EXHIBIT A

FROM: METROPOLITAN PARKING SOLUTIONS FINANCIAL OBLIGATION: \$2,000,000

TO:

SUPERVISORY ALLOCATION	\$ 170,000
NB PLAN PROFESIONAL SERVICES	\$ 75,000
(NEW) DOWNTOWN ENHANCED MAINTENANCE	\$ 225,000
(NEW)COMMERCIAL REVITALIZATION PROGRAM	\$ 500,000
(NEW) SMALL SCALE RESIDENTIAL INCENTIVE	\$ 200,000
LAVILLA HERITAGE TRAIL AND GATEWAY ENTRANCES	<u>\$ 830,000</u>
	\$2,000,000

TAB III.E
RESOLUTION 2022-04-07: AR POLAR DISPOSITION

RESOLUTION 2022-04-07

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) INSTRUCTING ITS CHIEF EXECUTIVE OFFICER (“CEO”) TO ISSUE A 30-DAY NOTICE OF DISPOSITION IN ACCORDANCE WITH THE NEGOTIATED DISPOSITION PROCEDURE ADOPTED BY DIA; AUTHORIZING THE PUBLICATION OF A NOTICE OF DISPOSITION FOR THE FEE SIMPLE DISPOSITION OF AN APPROXIMATELY 5.12 ACRE PARCEL (THE “RETENTION POND PARCEL”) OF CITY-OWNED REAL PROPERTY LOCATED WITHIN THE BOUNDARY OF THE PARCEL DEPICTED ON EXHIBIT A ATTACHED HERETO AND IDENTIFIED BY DUVAL COUNTY TAX PARCEL NUMBER RE#130574-0150, (THE “PROPERTY”), CURRENTLY DEVELOPED AS A RETENTION POND AND LOCATED BETWEEN GATOR BOWL BOULEVARD AND THE ST. JOHNS RIVER; EXPRESSING THE INTENTION, ABSENT HIGHER RESPONSIVE OFFERS, TO DISPOSE OF SAID PROPERTY TO AR POLAR JACKSONVILLE, LLC (THE “DEVELOPER”) SUBSTANTIALLY IN ACCORDANCE WITH THE NEGOTIATED TERMS ATTACHED HERETO AS EXHIBIT C, SUBJECT TO FURTHER REFINEMENT AND APPROVAL BY THE BOARD AT THE NEXT REGULARLY SCHEDULED MEETING FOLLOWING EXPIRATION OF THE THIRTY DAY NOTICE PERIOD; ESTABLISHING THE TERMS OF THE PUBLISHED NOTICE OF DISPOSITION; FINDING THAT THIS RESOLUTION FURTHERS THE BUSINESS INVESTMENT AND DEVELOPMENT (“BID”) PLAN, INCLUDING THE COMMUNITY REDEVELOPMENT AREA PLAN; AUTHORIZING THE CEO OF THE DIA TO TAKE ALL ACTION NECESSARY TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, via Ordinance 2012-0364-E, the City Council created the Downtown Investment Authority, designating the DIA as the City’s Community Redevelopment Agency for the Combined Northbank Downtown Community Redevelopment Area and authorizing it to approve and negotiate economic development agreements and dispose of City-Owned property; and

WHEREAS, the City owns an approximately 14.38-acre parcel of real property currently which is identified by Duval County Tax Parcel Number RE# 130574-0150 (the “Property”); and

WHEREAS, Developer is the owner of the adjacent parcel identified by Duval County Tax Parcel Number RE# 130574-0000 consisting of approximately 20.37 upland acres (“Developer’s Parcel”); and

WHEREAS, Developer has approached the City and DIA regarding the acquisition of the Retention Pond Parcel in exchange for conveyance to the City of two portions of Developer’s Parcel, one sufficient in size to substantially replace the retention pond and a second to provide

the City with a riverfront site and adjacent submerged lands to accommodate construction of a new marine fire station to serve Downtown; and

WHEREAS, in light of the redevelopment of Kids Kampus which has been approved by City Council and is expected to close in May, the existing marine fire station serving Downtown has been displaced and a new waterfront location must be secured; and

WHEREAS, the City-owned property originally contemplated for the fire station will require significant dredging to serve the needs of JFRD, at substantial expense to the City; and

WHEREAS, the City has determined that the Retention Pond Parcel could be made available for a more economically productive use if a replacement parcel is provided elsewhere in the immediate vicinity; and

WHEREAS, both the Retention Pond Parcel and the Developer's Parcel are located within the Combined Downtown Northbank Community Redevelopment Area ("Northbank CRA"); and

WHEREAS, DIA entered into negotiation with Developer regarding the terms of the disposition and redevelopment in accordance with DIA's approved negotiated disposition process; and

WHEREAS, DIA has established the terms upon which a notice of disposition will be published as set forth in **Exhibit B**; and

WHEREAS, the majority of the essential terms of the redevelopment proposal including Developer's obligations are set forth in the Term Sheet attached as **Exhibit C**; and

WHEREAS, in order to determine fair value for the property pursuant to Florida Statutes Chapter 163.380(2), and as required by City of Jacksonville Code of Ordinances §122.432, the DIA has obtained an appraisal of the various parcels involved in the disposition; and

WHEREAS, DIA is the designated Community Redevelopment Agency for the Northbank CRA, for which a Business Investment and Development Plan, inclusive of a Community Redevelopment Plan, ("BID/CRA Plan") was adopted by Ordinance 2014-560-E; and

WHEREAS, Section 55.108 of the Jacksonville Code of Ordinances grants certain powers and duties to the DIA, including:

Interpreting the BID/CRA Plan and approving development and redevelopment projects within Downtown;

Implementing the BID/CRA Plan, and negotiating and approving downtown development and redevelopment agreements, grant agreements, license agreements, and lease agreements;

Planning and proposing Projects and Public facilities within Downtown; and

WHEREAS, at a publicly noticed meeting held on April 13, 2022, the DIA Retail Enhancement and Property Disposition Committee (“REPD”) recommended that the DIA Board adopt Resolution 2022-04-07; and

WHEREAS, upon adoption of this Resolution, a 30-day notice for the solicitation of proposals pursuant to Section 163.380(3)(a), Florida Statutes, and Sections 122.434(a) and (b), Jacksonville Ordinance Code, will be issued; and

WHEREAS, the DIA finds that the proposed disposition and redevelopment proposal further the following Redevelopment Goal and Strategic Objectives currently found in the BID/CRA Plan and those proposed by the DIA Board for adoption by City Council within the BID/CRA Plan Update:

(Current) Redevelopment Goal 3: Simplify the approval process for downtown development and improve departmental and agency coordination.

Strategic Objectives: Provide publicly-owned land and building space for public and private development which will support and strengthen Downtown’s commercial and residential base and comply with the other Redevelopment Goals.
Initiate public-Private partnerships

(Current) Redevelopment Goal 6: Maintain a clean and safe 24-7 Downtown for residents, workers, and visitors.

Strategic Objective: Enhance the presence of Downtown security and coordinate with JSO for increased public safety officers within Downtown.

(Proposed) Redevelopment Goal 5: Improve the safety, accessibility, and wellness of Downtown Jacksonville and cleanliness and maintenance of public spaces for residents, workers, and visitors.

Strategic Objective: Expand the installation of public infrastructure that enhances safety such as countdown timer pedestrian signals, enhanced lighting, security cameras, etc.

(Proposed) Redevelopment Goal 8: Simplify and increase the efficiency of the approval process for Downtown development and improve departmental and agency coordination.

Strategic Objective: Streamline and improve the transparency of the disposition process for publicly owned land and building space.

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

Section 1. The recitals set forth above are true and correct and are hereby incorporated herein by this reference.

Section 2. The DIA instructs the Chief Executive Officer of the Downtown Investment Authority to take all necessary action necessary to effectuate the thirty (30) day Notice of Disposition for the Property in accordance with its Negotiated Notice of Disposition Process and pursuant to the terms set forth in Exhibit B and consistent with Florida Statutes and the Ordinance Code.

Section 3. Proposals received, if any, will be reviewed by the DIA Chief Executive Officer, who will make a recommendation to the DIA Board regarding any responsive alternate proposals received.

Section 4. If no alternate responsive and qualified proposals are received, or if they are determined by the CEO to be lower in value or unresponsive, the DIA authorizes its CEO to finalize negotiation of a term sheet with Developer and present it to the Board for final approval at the next regularly scheduled meeting following closure of the required notice period.

Section 6. The DIA Board hereby authorizes the CEO of the Downtown Investment Authority to take all action necessary to effectuate the purposes of this Resolution.

Section 7. This Resolution, 2022-04-07, shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

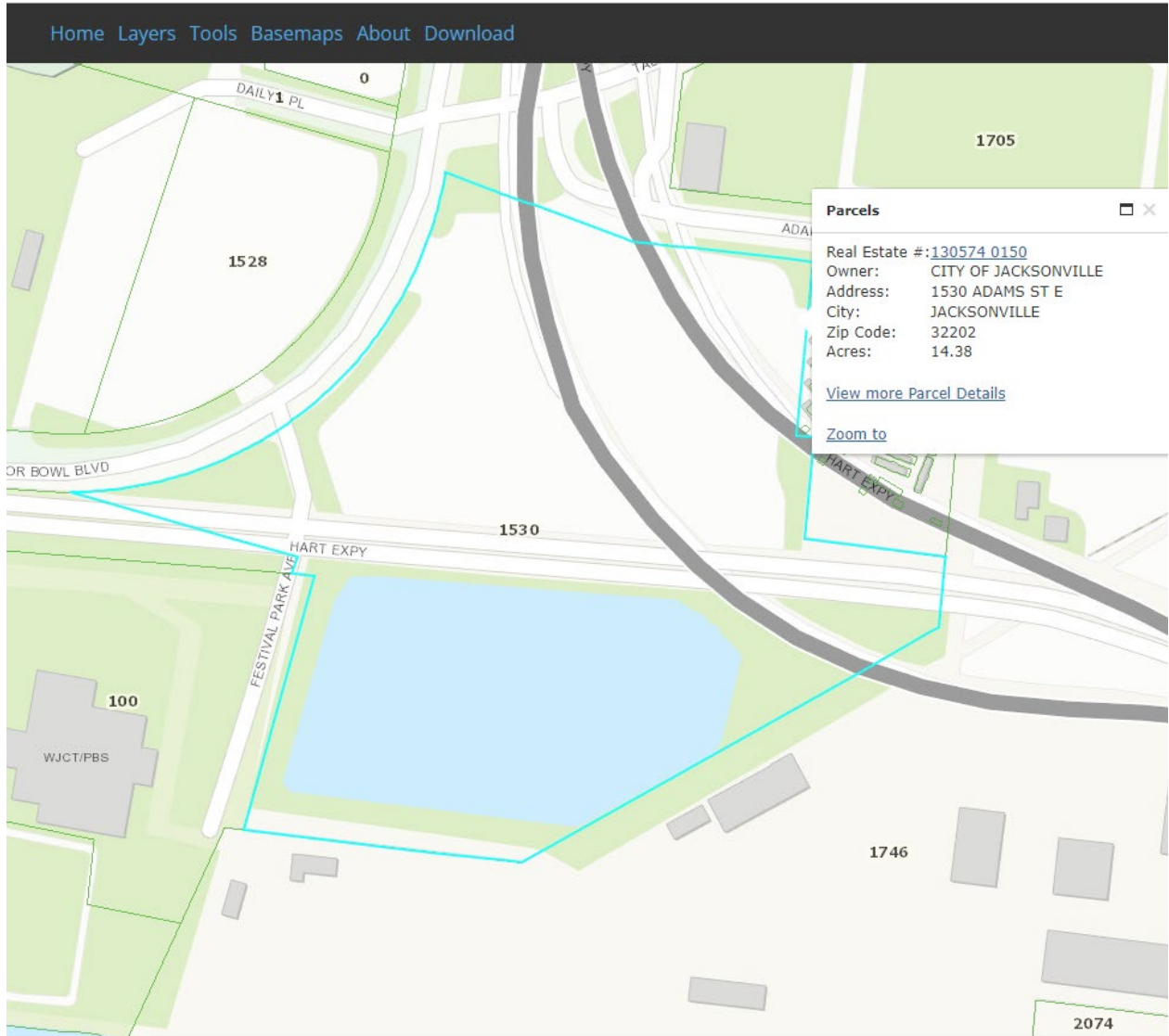
DOWNTOWN INVESTMENT AUTHORITY

W. Braxton Gillam, Chairman

Date

VOTE: In Favor: ___ Opposed: ___ Abstained: ___

Exhibit A to Resolution 2022-04-07



**Exhibit B
to Resolution 2022-04-07**

Essential Terms of Disposition Notice

1. Location: A portion of RE #130574-0150 located within the Property depicted on Exhibit A map, south of Gator Bowl Blvd and currently developed as a retention pond.
2. Property Interest considered for disposition: Fee simple title to the “Retention Pond Parcel “ which consists of the easterly 5.12 acres, plus or minus, of the existing retention pond and is depicted in the survey sketch below.
3. Restriction on Use: Any use consistent with the adopted CRA Plan for Downtown. The property may remain as a retention pond or may be filled and redeveloped at the new owner’s discretion, however the Retention Pond Parcel will be deed restricted to prevent use that would be exempt from payment of property taxes, except with respect to any publicly dedicated and accepted park or recreation area.
4. Replacement land capable of development for a substantially equivalent retention pond must be provided to the City within a **quarter mile radius** of the current location.
5. A waterfront parcel with the Downtown Northbank CRA of no less than 1.65 acres, including submerged lands, and of sufficient width and depth to accommodate development as a marine fire station, with sufficient water depth to accommodate marine fire vessels, and with public roadway access, must be provided to the City.
6. Proposal must include purchase price offered, if any, in addition to the required land parcels.
7. Closing and conveyance of swap parcels must occur no later than March 31, 2023.
8. Clear marketable title to the swap parcels must be provided to the City.

[insert sketch of Retention Pond Parcel]



EXHIBIT C

Draft Term Sheet
Resolution 2022-04-07

Developer: A R Polar Jacksonville, LLC (“Developer”)

The Property: A 14.38 plus or minus acre parcel of City-owned land identified by Duval County Tax Parcel Number RE# 130574-0150 (the “Property”) and depicted in the foregoing Exhibit A site plan.

Retention Pond Parcel: An approximately 5.12-acre portion of the Property located between Gator Bowl Boulevard and the St. Johns River, currently developed as a retention pond, and depicted in the sketch included in Exhibit B.

Developer’s Parcel: Developer is the owner of the adjacent parcel identified by Duval County Tax Parcel Number RE# 130574-0000 and consisting of approximately 20.37 upland acres (“Developer’s Parcel”)

Fire Station Parcel: A minimum 1.65 acre riverfront parcel including adjacent submerged lands, depicted on the sketch attached hereto and labeled as Fire Station Parcel, located in the southwest corner of Developer’s Parcel.

Replacement Pond Parcel: An approximately 5.10 acre parcel of upland located within Developer’s Parcel depicted on the sketch attached hereto and labeled as Replacement Pond parcel.

Consideration for Disposition of Retention Pond Parcel: In consideration for conveyance of the Retention Pond Parcel to Developer, Developer will provide to the City/DIA the following:

- a. Fee simple title to the Replacement Pond Parcel, and
- b. Fee simple title to the Fire Station Parcel, and
- c. Cash at closing - Developer will pay up to \$_____ for the design, permitting, and construction of the portion of the access road from Bay St. East to its second access point (closest to the Fire Station Site), including the filling of the current pond to the extent necessary for the access road.

City/DIA will provide to Developer at closing the following:

- a. Fee simple title to the Retention pond Parcel
- b. City’s obligation to design, permit and construct Festival Park Avenue as depicted on the sketch below on or before June 30, 2024, together with dedication of such roadway as a public right of way that will provide access to Developer’s Parcel.

- c. Development within Developer's property shall have a right to shared signage on Bay St. East/Gator Bowl Boulevard.

Redevelopment

Agreement: The Redevelopment Agreement will establish the essential terms of the Property Swap, the rights and obligations of the parties thereto, and other terms relevant to the Property and Developer's Parcel as well as the public roadway to be constructed on City owned parcel identified by tax parcel # 130588-0150. The RDA will become effective upon its execution following approval by City Council. Its terms will govern the period prior to closing on the property swap as well as other rights and responsibilities of the parties throughout the term of the RDA.

Site Investigation: Following the execution of the Redevelopment Agreement, each party will have a period of 90 calendar days ("Due Diligence Period") to inspect and perform tests on the respective properties they will acquire in the swap to determine their suitability for their intended use, and to investigate the quality and marketability of the title it will receive. Upon notice to the other party thereto, either Developer or the City/DIA may terminate the Redevelopment Agreement any time within the Due Diligence Period if the property it will receive is unsuitable for its intended use or title is unmarketable without incurring any obligations under the Redevelopment Agreement.

Environmental: Each party shall provide the other with temporary access agreements to conduct such site and environmental investigations or testing it may elect to perform on the parcels to be received. Such agreements shall contain standard insurance, indemnity, and restoration provisions. Following closing, each party shall be responsible for any remediation required on the property acquired.

Entitlements: No entitlements shall be assigned or provided to Developer as part of this agreement. It is expressly acknowledged that Developer may fill all or a portion of the Retention Pond Parcel at Developer's election, and timing. If Developer fills all or any portion of the Retention Pond Parcel, Developer is not responsible for stormwater credits for any resulting "loss" of current pond capacity. Requests for new Stormwater credits, and Mobility Fee credits, for any development proposed on Developer's Parcel will be processed in accordance with the applicable Ordinance Code and BID plan requirements and criteria, including applicable fees.

Design: a. Fire Station: The design and architecture of the marine fire station will be substantially as shown in an attached exhibit. The fire station will not exceed two stories in height. The dock and boathouse will be located as far west as possible within the submerged lands that are part of the Fire Station Parcel, provided there is no underwater impediment to doing so. All landscape screening between the fire station and the remaining portion of Developer's Parcel shall be subject to review and approval of Developer, which shall not be unreasonably withheld, but is intended to provide an attractive buffer between the sites.

b. Developer's Parcel and Retention Pond Parcel: All development proposed on Developer's Parcel, or the Retention Pond Parcel shall comply with the adopted BID and CRA Plan, the Downtown Zoning Overlay, Applicable design standards and other City codes and shall obtain DDRB approval.

c. Any signage for Developer's property located on Bay Street East/Gator Bowl Boulevard as described above shall be subject to DDRB approval and compliance with applicable sign ordinances.

Use of the Retention Pond Parcel: Any use consistent with the adopted BID and CRA Plan for Downtown. The property may remain as a retention pond or may be filled and redeveloped at the new owner's discretion, however the Retention Pond Parcel will be deed restricted to prevent use that would be exempt from payment of property taxes, except with respect to any publicly dedicated and accepted park or recreation areas.

Use of Replacement Pond Parcel: The City shall have the right to make any legal use of the Replacement Pond Parcel. If, at its election, City elects within ___[24-48 to be negotiated] months of closing to excavate the Replacement Pond Site to create a new pond, City will provide Developer, at its election and at no cost, any useable fill dirt from the excavation for use on Developer's adjacent property.

Construction of Infrastructure:

Festival Park Avenue: City will design, permit, and construct an access road from Bay St. East/Gator Bowl Boulevard to the Fire Station Site [as shown in an attached exhibit]. The access road will be a public dedicated street and will provide access, at two (2) connection points on the east side of the road, to Developer's property.

City will be responsible for obtaining any stormwater credits required for the access road and related filling.

City will be responsible for FDOT permitting of the access road connection to Bay St. East. City will be the sole permitting agency for AR Polar's access points on the access road.

The Developer shall provide to the City a temporary construction easement across Developer's Parcel in the location depiction in the sketch below in order to access that portion of the current retention pond over which the roadway will be constructed.

Utilities: In its construction of utility infrastructure for the fire station, City will include at no cost to Developer an upgrade/accommodation of service lines/conduit of sufficient size to serve future development within Developer's property. This obligation is not intended to require the City to incur any costs for connection fees or reservation of service capacity for Developer's property including the Retention Pond Parcel but rather to simply include within the right of

way line service lines/conduit sizes sufficient to accommodate said future development.

[description of upgrade/accommodation].

Permits: Each party shall be responsible for all permits required for any work contemplated by the Redevelopment Agreement.

Performance Schedule:

a. The Redevelopment Agreement will be entered into by Developer and the City within 30 days following the effective date of the legislation authorizing the City's entry.

b. Due Diligence Period: 90 days from execution of RDA.

c. Closing: Within 30 days following the end of the Due Diligence Period but no later than March 31, 2023.

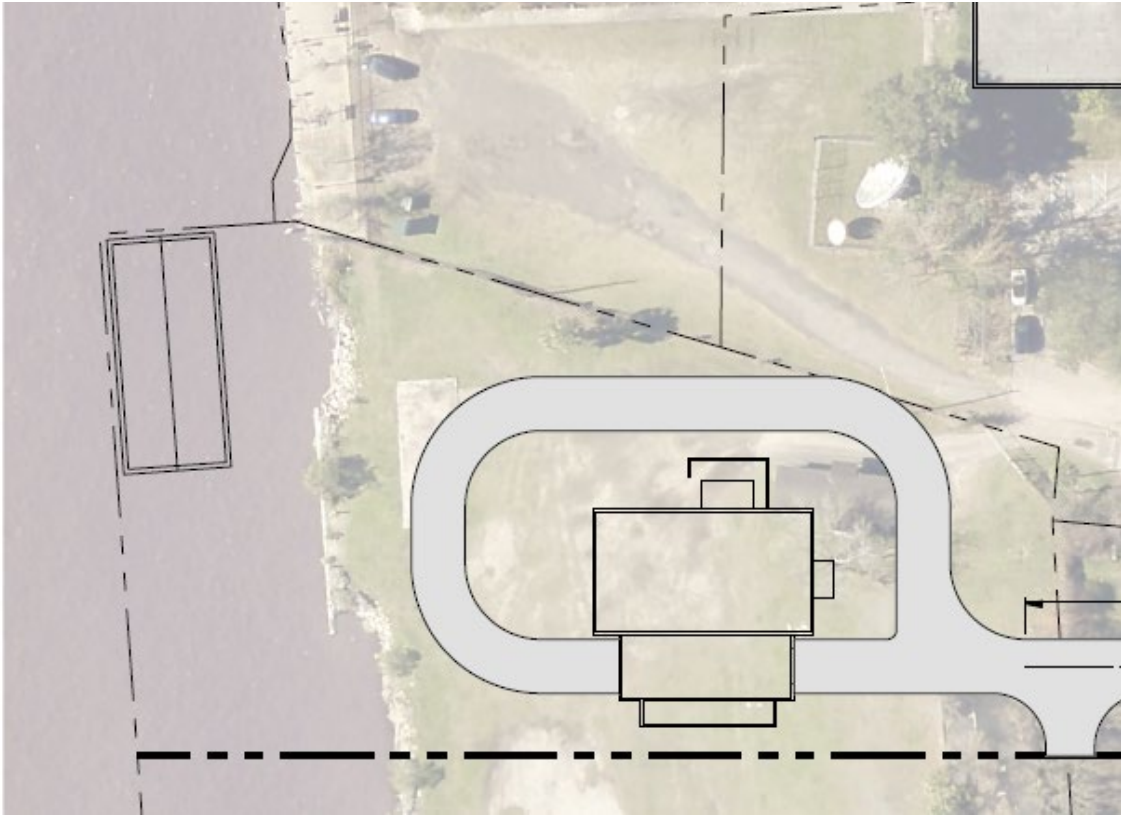
d. Completion of Festival Park Avenue Access: June 30, 2024_.

The provisions of this Term Sheet are intended to guide the parties in negotiating the Redevelopment Agreement and any other documents that may be necessary to give effect to the manifest intent of the parties expressed herein

The following points remain open in negotiation:

1. The Developer's contribution to construction of Festival Park Avenue and the modifications to the WJCT parking lot required to accommodate the roadway
2. Developer has requested a right of first refusal on the Replacement Pond parcel
3. Whether the City should release all stormwater credits for the Retention Pond Parcel immediately or only when Developer proposes to fill and develop the parcel (similar theory as right of first refusal)
4. Size and description of utility conduit
5. Possible easement encroachments and releases

Fire station Parcel- substitute Survey sketch when available



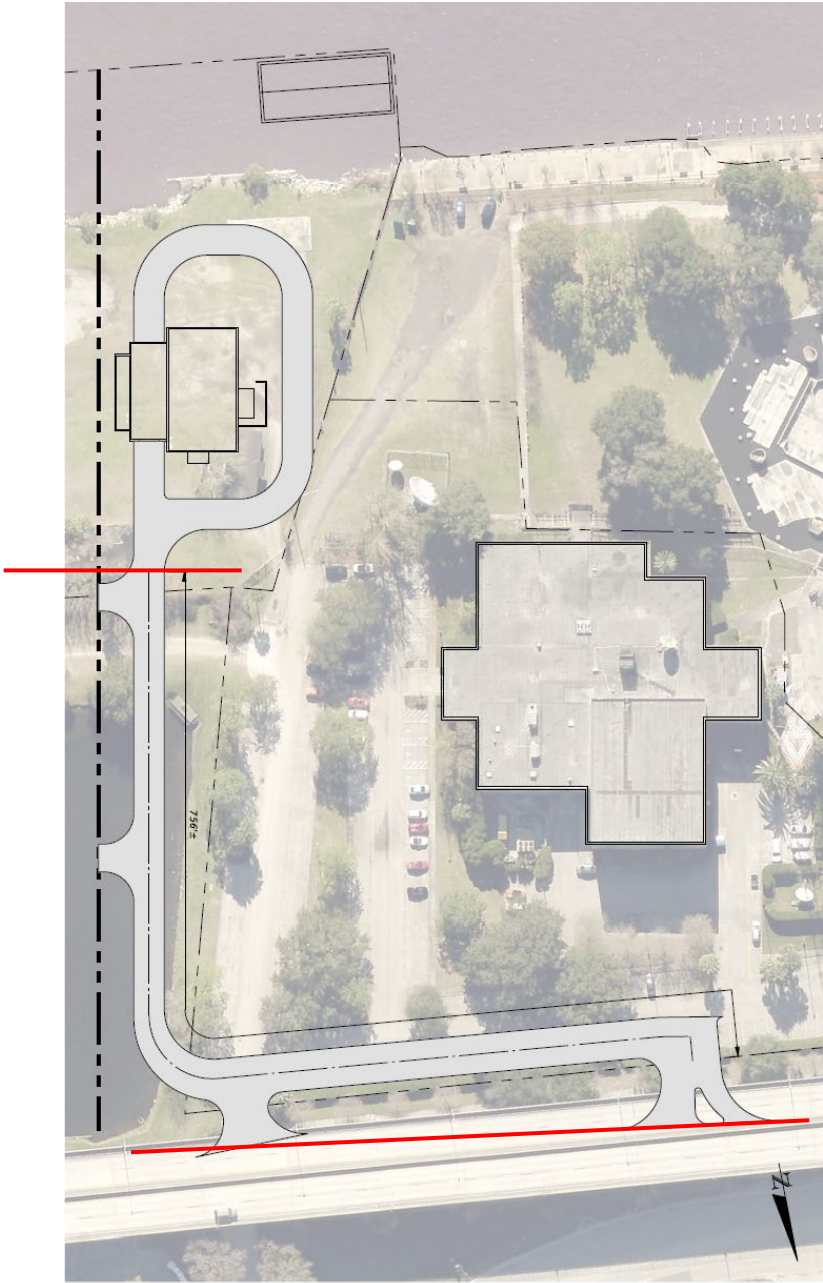
Retention Pond Parcel- substitute Survey sketch when available



Replacement Pond parcel- substitute Survey sketch when available



Festival Park Avenue - New access Roadway



Temporary access easement for construction of Roadway



TAB III.F
RESOLUTION 2022-04-09: 100 E ADAMS ST FAB-REP

RESOLUTION 2022-04-09

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) ACTING AS THE COMBINED NORTHBANK COMMUNITY REDEVELOPMENT AGENCY (“GRANTOR”) APPROVING THE AWARD OF A RETAIL ENHANCEMENT PROGRAM FOOD AND BEVERAGE RETAIL ENHANCEMENT GRANT (FAB-REP) FOR DOWNTOWN BAR CONCEPT, LLC AND SHOPPES OF LAKESIDE, INC. AS CO-APPLICANTS, A SIDEWALK ENHANCEMENT GRANT TO DOWNTOWN BAR CONCEPT, LLC AS THE SOLE APPLICANT, AND A FAÇADE GRANT FOR SHOPPES OF LAKESIDE, INC. AS THE SOLE APPLICANT, WITH EACH AWARD TO FACILITATE RENOVATION OF THE PROPERTY LOCATED AT 100 E. ADAMS STREET FOR USE AS HARDWICKS BAR; AUTHORIZING THE CEO OF THE DIA TO NEGOTIATE FORGIVABLE LOAN AGREEMENT(S) OR EQUIVALENT; AUTHORIZING THE DIA CEO TO EXECUTE SUCH AGREEMENT(S); AND FINDING THAT THE PROPOSED RENOVATION OF 100 EAST ADAMS STREET AND EXTENDING A SIDEWALK CAFÉ GRANT FURTHERS THE DIA’S BUSINESS INVESTMENT AND DEVELOPMENT PLAN, INCLUDING THE NORTHBANK CRA PLAN (“BID PLAN”) AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Property Owner, Shoppes Of Lakeside, Inc. and the Business Owner, Downtown Bar Concept, LLC (jointly and severally “Applicants”), seek jointly to renovate approximately 3,479 square feet of the building located at 100 E. Adams Street (RE# 073463-0000) to establish a new business to be known as Hardwicks Bar; and

WHEREAS, the Applicants applied jointly to the DIA for funding under the Targeted Retail Activation: Food and Beverage Establishments Program (FAB-REP) as adopted by DIA pursuant to Resolution 2020-06-01; and

WHEREAS, the Business Owner submitted an application for a Sidewalk Enhancement Grant to the DIA under the under the Targeted Retail Activation: Food and Beverage Establishments Program; and

WHEREAS, the Property Owner submitted an application to the DIA for funding under the Façade Grant Program as adopted by DIA pursuant to Resolution 2020-06-02;

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

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

WHEREAS, there are sufficient funds available within the Northbank CRA approved budgets for Retail Enhancement and Façade Grants to fund these requests; and

WHEREAS, to assist the applicants in activating Downtown by creating a consistent theme and image that conveys a sense of the excitement and activity Downtown, focuses efforts on drawing diversity to Downtown, and while also adding an additional sidewalk service area to the Elbow District, DIA staff recommends that the DIA approve a combination of the Food and Beverage Retail Enhancement Grant (FAB REP) in an amount not to exceed \$100,000, a Sidewalk Enhancement Grant in an amount not to exceed \$15,000, and a Façade Grant in an amount not to exceed \$48,000, with total funding limited to \$163,000 (ONE HUNDRED SIXTY-THREE THOUSAND DOLLARS) for Applicants in accordance with the terms of the established programs and the Term Sheet attached hereto as Exhibit A; 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 focusing 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

Section 3. The DIA hereby approves the award of the Food and Beverage Retail Enhancement Grant (FAB-REP), the Sidewalk Enhancement Grant, and the Façade Grant in a total amount not to exceed \$163,000 from the Combined Northbank CRA to the Applicants to be provided in accordance with the applicable Program guidelines and the Term Sheet attached hereto as Exhibit A.

Section 4. The Chief Executive Officer of the DIA is hereby authorized to negotiate and execute the Forgivable Loan Agreement(s) or their equivalent 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., Chair	Date
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VOTE: In Favor: _____ Opposed: _____ Abstained: _____

**EXHIBIT A - TERM SHEET
Hardwicks Bar
FAB-REP Forgivable Loan, Sidewalk Enhancement Grant, Façade Grant**

Project Name: **Hardwicks Bar**

(A) Co-applicants (FAB-REP): **Downtown Bar Concept, LLC (Business Owner/Tenant)**
Mr. Elias Hionides Managing Partner
Mr. Richard Trendel Broker Partner

Shoppes of Lakeside, Inc. (Property Owner/Landlord)
Mr. Chris Hiondes, President
Ms. Sylvia Jacobs, Registered Agent listed as the point of contact

Total Rehabilitation Costs (estimate): \$596,156
Eligible FAB-REP Costs: \$359,742
Co-applicant Contribution: \$259,742 72.2% of Eligible FAB-REP Costs
Maximum FAB-REP Funding: **\$100,000** 27.8% of Eligible FAB-REP Costs

(B) Applicant (Sidewalk Enhancement Grant): **Downtown Bar Concept, LLC**
Eligible Sidewalk Enhancement Costs: \$ 21,900
Maximum Sidewalk Enhancement Grant Funding: **\$ 15,000** 68.5% of Eligible Sidewalk Enhancement Costs

(C) Applicant (Façade Grant): **Shoppes of Lakeside, Inc.**
Eligible Façade Improvement Costs: \$ 61,568
Maximum Façade Grant Funding: **\$ 30,784** 50% of Eligible Façade Improvement Costs

Maximum Total DIA Project Funding: **\$145,784**

Project: Renovations to 100 East Adam Street in accordance with the application received, subject to DIA Board approval, in order to facilitate the operation of a Type III Bar in the premises 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 minimum employment levels, 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.

DIA Funding: No more than **\$145,784**, through the Downtown Northbank Combined CRA, as follows:

Type	Total
FAB-REP	\$100,000
Sidewalk Enhancement Grant	\$ 15,000
Façade Grant	\$ 30,784
Total	\$145,784

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 further City of Jacksonville or CRA loans have been requested.

(A) FAB-REP Forgivable Loan (grant with clawback):

- Maximum funding of \$100,000 from the Downtown Northbank Combined CRA.
- Funding will be structured as a grant with a clawback 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 grant agreement.
- The co-applicants acknowledge that these grant funds are awarded and shall be used in accordance with the Retail Enhancement Program Targeted Retail Activation: Food and Beverage Establishments guidelines.
- The grant will be secured by a personal guarantee from the managing member of each of the co-applicants in the event of a default under the program or funding agreement.

Minimum Construction Costs (FAB-REP Grant):

- The minimum construction costs incurred through completion to remain eligible for the FAB-REP Forgivable Loan are \$359,742. Such costs will exclude soft costs such as General Conditions, General Requirements, Overhead, Insurance, and similar expenditures not contributing to the hard costs of construction.
- The total minimum construction costs shall also exclude costs incurred for furniture and any equipment not affixed to the property. Any equipment affixed to the property included in this total must remain on the property through the compliance period of the grant agreement.
- Minimum contribution from each co-applicant towards the minimum construction costs shall be \$89,936.

(B) Sidewalk Enhancement Grant:

- Maximum funding limited to the lesser of 80% of actual costs incurred for equipment to be used in providing outdoor seating and activation as supported by invoices that have been approved by the DIA or \$15,000.
- The grant will amortize at the rate of 33.3% on each anniversary date of the closing so long as no event of default exists with total forgiveness on the third anniversary date.
- Applicant must provide evidence that the lease for the subject property and operation of the subject business is in effect for a period of not less than three years.
- Funding requires evidence of the issuance of a Sidewalk Café permit to the Grantee that would allow the use of the subject sidewalk for the intended purpose.
- Maintain an operating business consistent with the business type as presented in the application.
- Maintain operating hours materially consistent with the days and hours as required herein.
- Property acquired through the Sidewalk Enhancement Grant proceeds must be secured at the end of each day.

(C) Façade Grant:

- Maximum funding limited to the lesser of 50% of actual costs incurred as supported by invoices that have been approved by the DIA or \$15,000.
- The Grant will be funded upon submission of a funding request form following completion of the work.
- Work shall be inspected for compliance with the application as submitted, and all invoices must be submitted for satisfactory review and approval by DIA Staff.
- The Grant approval is contingent upon the following:
 1. Only work on the street-facing storefront as outlined in the application submitted is eligible for reimbursement.
 2. Applicant must be in good standing with the City (no unpaid taxes, Municipal Code Compliance outstanding citation on any property of applicant, outstanding defaults on any City contract, or previous uncured grant defaults or non-compliance).
 3. The property being improved may not have any outstanding liens or violations.
 4. Applicant must not be engaged in an active lawsuit with or have an unresolved claim from or against the City or its agencies that is related to the property from which the grant is sought or other similar rehabilitation grants.
 5. Applicant agrees to utilize City-approved JSEBs for renovation work associated with the grant where possible.
 6. Must maintain the improvements in good repair.
 7. If at any point the space is not occupied, the Property Owner shall utilize its best efforts to continue to activate the streetscape. This can be accomplished through temporarily attaching art to the windows, utilizing the storefront space as an art installation or exhibition, or other creative efforts to address street activation.

Performance Schedule:

1. Redevelopment Agreement(s) or appropriate grant agreement to be executed no later than 45 days following delivery of the initial draft of that Redevelopment Agreement.
2. Commencement of Construction for the FAB-REP and Façade Improvements: Within three (6) 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 sole discretion, for up to six (6) cumulative 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.

5. Expenditures for Sidewalk Enhancement Grant improvements must be made and submitted for reimbursement within 6 months of Substantial Completion of the FAB-REP and Façade improvements.

Annual Reporting Requirements (FAB-REP Grant):

1. Minimum Hours of Operation to be maintained as:

Weekly Schedule	Open	Closed
Monday	4:00 PM	12:00 AM
Tuesday	4:00 PM	12:00 AM
Wednesday	4:00 PM	12:00 AM
Thursday	4:00 PM	12:00 AM
Friday	4:00 PM	12:00 AM
Saturday	12:00 PM	12:00 AM
Sunday	12:00 PM	12:00 AM

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

2. Minimum number of employees: A minimum of two (2) full-time equivalent employees, defined as working a minimum of 35 hours per week, shall be required for the term of this agreement.
3. 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 which shall also provide information on the actual employee count for the year; 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.

SUPPLEMENTAL INFORMATION

DIA STAFF REPORT

**RETAIL ENHANCEMENT PROGRAM
TARGETED RETAIL ACTIVATION: FOOD AND BEVERAGE ESTABLISHMENTS**

SIDEWALK ENHANCEMENT GRANT

FAÇADE GRANT

APRIL 13, 2022

Project name:

Hardwicks Bar

Co-Applicants:

Downtown Bar Concept, LLC (Tenant)

Mr. Elias Hionides, Managing Partner

Mr. Richard Trendel, Partner

Shoppes of Lakeside, Inc. (Landlord)

Mr. Chris Hiondes, President

Ms. Sylvia Jacobs, Registered Agent, listed as the point of contact

Project Location:

100 E. Adams St
Jacksonville, Florida 32202

Funding Recommendations:

Type	Total
FAB-REP	\$100,000
Sidewalk Enhancement Grant	\$ 15,000
Façade Grant	\$ 30,784
Total	\$145,784

Project Description:

The co-applicants, Downtown Bar Concept, LLC and Shoppes of Lakeside, Inc., have applied for funding under the Food and Beverage Retail Enhancement Grant (FAB-REP) to renovate and activate the space located at 100 E Adams Street (RE# 073463-0000). In addition, as the Business owner, Downtown Bar Concept, LLC has applied for funding under the Sidewalk Enhancement Grant program, and Shoppes of Lakeside, Inc. has also applied for a Façade grant for the building as the Property Owner.

The co-applicants plan to renovate the interior 3,479 sq ft space into a bar and nightclub to be called Hardwick's Bar. Plans to rehabilitate the interior of 100 E Adams include a new ceiling, new flooring, bathroom installation, reconfiguration of the demising walls, millwork, HVAC, and equipment for the operation of the business. The subject property is located within the ELBOW district of the Targeted Retail

Activation: Food and Beverage Establishments Program (FAB-REP) adopted by DIA under Resolution 2020-06-01.

This property is shown in property records to be owned by OUR Property, Inc., which was approved for merger into Shoppes of Lakeside, Inc. by the Florida Department of State, Division of Corporations in June 2010. Property taxes have been confirmed to have been paid for the 2021 tax year at the subject location as required.

The rendering below provides a view of the property and expected street-front activation following completion.



Business Plan Bio:

The applicant expects Hardwicks Bar to be North Florida’s premier all-inclusive bar and lounge located in Downtown Jacksonville, drawing patrons from the Downtown, Southbank, San Marco, Brooklyn, Riverside, Avondale, and Springfield neighborhoods. In addition, the management team for Hardwicks is confident in their expectations of drawing socially conscious and culturally diverse individuals from Southside, Beaches, Mandarin, Orange Park/Fleming Island, St. Augustine, Amelia Island/Fernandina Beach, and South Georgia. Hardwicks bar is to be located in the historic United Cigar Store Building (est. 1926) and influenced by both the H.J. Klutho-designed Jacksonville Free Public Library and the Taylor Hardwick designed Haydon-Burns Library to the West.

Hardwicks Bar will be operated and managed by Timothy Hoal, formerly of Park Place Lounge, who has more than twenty years of related experience where his emphasis and reputation have been built around

providing excellent customer service. Hardwicks plans to be open to all people who seek to experience community and acceptance fostered by a chic downtown bar and will welcome and capitalize on the influx of Downtown residential developments and find ways to engage all walks of friendly consumers. The name Hardwicks was inspired by the Taylor Hardwick masterpiece now known as the Jessie Ball DuPont Center. Hardwicks plans to partner with local charities like Jasmyn, NFAM, etc., to raise funds to keep their vision possible. One of Hardwicks’ goals is to instill confidence in their guests through perceived value.

Operating Plan:

The applicant identifies only two well-known bars catering to the LGBTQIA+ community in Jacksonville: Park Place Lounge in Riverside and The Boot Rack of Avondale. The managing partner of Hardwick’s Baris, Timothy Hoal, is the former manager of Park Place Lounge and is held out as instrumental in its success. Hardwicks Bar plans to have several competitive advantages, beginning with Tim Hoal, who has been working in the bar industry for over 20 years and is reported to have developed a loyal following.

- Experienced Staff – Mr. Hoal’s history and reputation in the business are expected by the applicant to bring a list of engaged, experienced bartenders and hospitality staff who are vying to be involved. Each is anticipated to bring individual talents and a current, existing customer base.
- Outstanding Customer Service – Hardwicks’ employees will be hired based on both their talents in hospitality and having the ability to bring each of their own established customer base followings to Hardwicks Bar.
- Destination -- Hardwicks Bar is expected to bring people from all over the area to downtown Jacksonville, furthering the goals of the DIA and creating a destination for the gay community.
- Proposed hours of operation -- Hardwicks proposes to be open seven days a week. The bar is proposed to open at 4:00 PM on weekdays and noon on weekends, with closing time scheduled for 2:00 AM nightly, which exceeds the minimum FAB-REP Guideline criteria.

Weekly Schedule	Open	Closed
Monday	4:00 PM	2:00 AM
Tuesday	4:00 PM	2:00 AM
Wednesday	4:00 PM	2:00 AM
Thursday	4:00 PM	2:00 AM
Friday	4:00 PM	2:00 AM
Saturday	12:00 PM	2:00 AM
Sunday	12:00 PM	2:00 AM

- Happy Hour is planned for 4:00 PM to 7:00 PM on weekdays and from 12:00 PM to 7:00 PM on weekends.
- Hardwicks will offer premium spirits, local and domestic beers, craft cocktails, and fine wine options.
- Hardwicks proposes a 10-tap beer system with a mix of national brands and rotating taps for local products. Local breweries to be supported by Hardwicks include, but are not limited to, Bold City

Brewery, Ruby Beach Brewing, Engine 15 Brewing Co, Intuition Ale Works, and Aardwolf Brewing Company.

- To further reinforce the image of being a local's bar, local distilleries to be supported by Hardwicks include, but are not limited to, Manifest Distilling, Marlin and Barrel, Saint Augustine Distillery, and Burlock and Barrel.
- The business model of Hardwicks Bar calls for better value at a lower price than neighboring bars in a comfortably fun, chic environment while maintaining strict 18-22% liquor costs, 25-35% wine costs, and 10-20% beer costs, adjusting margins for higher and lower priced wholesale items as needed.
- The Business Owner anticipates creating up to 15 full-time equivalent jobs in the operation of Hardwicks Bar, surpassing the required FAB-REP Guideline minimum of 2 jobs.

Target Market:

Hardwicks has a wide scope for its target market. The bar intends to set standards for the nightlife with demographics consistent with the entire LGBTQIA+ community, business professionals, downtown residents, and tourists. Hardwicks Bar can add to the FAB-REP Elbow District activation by bringing nightlife and inclusiveness to downtown for all patrons who appreciate diversity in an upscale area.

Property Consideration:

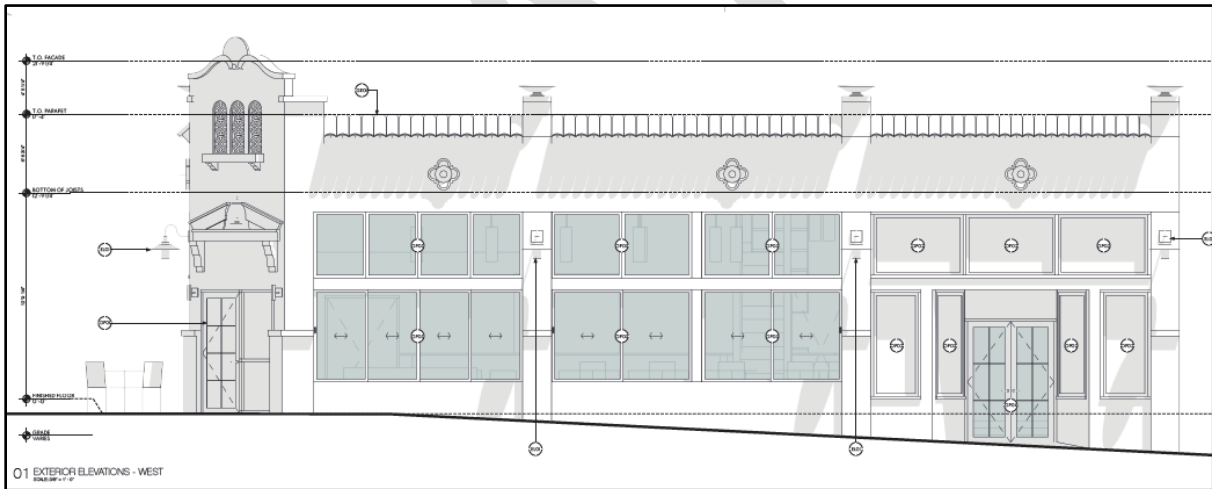
The 100 East Adam Street property has 6,974 square feet broken down into multiple units. Hardwicks Bar will occupy 3,479 square feet on a single-story building with the entrance on the corner of Adams Street and Ocean Street and a second entrance along Ocean Street. The property was originally built in 1926 and is listed as a contributing structure to the Downtown Jacksonville National Historic District, but the property does not have local landmark status. As such, the property is eligible for a \$10 per square foot boost to the FAB-REP funding calculation subject to other guideline caps, as will be covered further in the section on FAB-REP Considerations. Contributing structures do not require approval by HPS or HPC for consideration of FAB-REP incentive funding.

The Landlord/Property Owner is also negotiating with two additional tenants for the space within the property along the Adams Street side of the building that will further activate this prominent corner in the Elbow District. One of those tenants is Insomnia Cookies which caters to late-night crowds and has another successful location in Jacksonville currently, near Tinseltown in the JTB/Southside area. A second tenant is a photography studio that appears to already be in operation. Although neither of those tenants has, nor is expected to, come to DIA for funding of their tenant improvements, the costs associated with fire protection will also benefit those additional units. This is deemed acceptable by DIA staff as there is significant funding availability under the construction budget provided. Further, the additional cost represents a life safety benefit to the tenant co-applicant.

Current Status (Ocean Street Western Façade):



Proposed Improvements (Ocean Street Western Façade):



Development Budget:

Buildout costs presented in **Exhibit A** are taken from construction estimates provided by the Styles Construction Inc. of Jacksonville, FL. The contractor on the project is Darrell Smith. Total project costs are presented as \$596,156, with construction costs alone of \$557,358. Of the total, \$174,846 are not considered eligible under the FAB-REP program as they represent soft costs or expenditures that otherwise do not represent capital improvements to the building itself. Of the remainder, \$359,742 are considered eligible expenditures under the FAB-REP guidelines, and \$61,567 is considered eligible under the Façade Grant Guidelines. In consideration of funding eligibility, none of these costs are duplicative between these programs.

Operating Budget:

The pro forma operating budget provided with the application suggests the Business Owner should generate revenue of \$585,000 in year one, representing sales averaging \$1,600 per day. Revenues are shown to 22.2% in year 2 to \$715,000 and \$860,000 by year 3. With a gross margin of 76%, gross profit ranges from \$444,600 to \$653,600 over the three years.

Operating expenses appear to have been carefully considered, centered on salaries and wages, including payroll taxes followed by rent and insurance. Operating expenses range from 56.6% of revenue in year one to 42.2% in year three, reflecting largely variable costs by their nature.

Terms of the lease call for a base rent of \$11.54 square foot plus NNN pass-throughs and sales tax, adding approximately \$3.00 per square foot, with an increase in base rent of \$12.99 by year five. This provides an annual range for rent and associated costs of \$50,400 to \$55,795.

After taxes, net profit is estimated at \$66,562 in year 1, \$136,659 in year 2, and \$209,905 in year 3. Using year two as the first year of stabilization, EBITDA of \$200,080 would be sufficient to cover the debt of approximately \$680,000 over five years with a debt service coverage of 1.3X, assuming an interest rate of 5%.

FAB-REP Considerations:

FAB-REP imposes three caps in the determination of the funding recommendation. Funding is limited to the lesser of these three approaches:

- 1) Funding Limitation Per Square Foot: Because bars are considered Type 3 establishments under FAB-REP guidelines, funding is limited to \$40 per square foot, with this project eligible for a \$10 boost per square foot as a contributing structure in the Downtown Jacksonville National Historic District for a total of \$50 per square foot. By this approach, 3,479 eligible square feet would provide maximum funding of $(3,479 \times \$50) = \$173,950$.
- 2) Construction Budget Limitation: FAB-REP guidelines limit funding to 50% of eligible costs, totaling \$359,742 in this project. At a 50% margin, funding eligibility by this measure is \$179,871.
- 3) Guideline cap for a Type 3 project is \$100,000

Per FAB-REP guidelines, the maximum funding amount available is the lesser of these three approaches, or \$100,000.

Per program guidelines, the Business Owner (Tenant) and Property Owner (Landlord) are each to provide a minimum of 25% of costs determined to be eligible for funding. With eligible costs totaling \$359,742, this would provide a minimum of \$89,936 for each party. Per information provided by the co-applicants, the Business Owner (Landlord) will provide a minimum of \$200,000 for Tenant Improvements and up to \$250,000 as needed. The FAB-REP incentive is limited to \$100,000, leaving the Business Owner and Property Owner with a joint obligation of \$259,742. With Elias Hionides' common interest in both the Business Owner and the Property Owner, the non-DIA portion of the capital requirements may be met

through any combination of contributions from each party so long as the minimum of \$89,936 from each is maintained.

Sidewalk Enhancement Grant Considerations:

Per the BID strategy, additional funds will be available to FAB-REP grant recipients as a Sidewalk Enhancement Grant to reimburse up to 80% of eligible outdoor dining improvement costs but not exceed \$15,000. The Hardwicks Bar Business Owner has provided a separate budget to utilize this grant to create outdoor spaces that enhance the sidewalk experience along the Ocean Street side of the building. The Hardwicks Bar Business Owner has submitted additional plans to include tables, chairs, umbrellas, heavy-duty planter pots with plants, and exterior planter lights. The applicant proposes to chain the outdoor equipment in place to secure the items at the end of each working day.

The Owner estimates this at the cost of \$21,900, of which the grant offer 80% of the cost ($\$21,900 \times 80\%$) = \$17,520, which exceeds the maximum eligible amount. Therefore, the limitation of \$15,000 is imposed for this recommendation.

Facade Grant Considerations:

Facade grant Guidelines allow for funding of up to \$30 per square foot of street-facing facade, plus a \$2 square foot boost as a contributing structure within the National Historic District, not to exceed a maximum funding limit of \$75,000. The eligible facade of the subject property along Adams Street and Ocean Street of the subject property totals 1,600 square feet, which provides maximum funding of $(1,600 \times \$32) = \$51,200$.

Alternatively, the Façade Grant Program Guidelines provide a limit of 50% of approved costs incurred in making the improvements. As shown in Exhibit A, total eligible costs equal \$61,567 from the budget provided by the Applicant, with expenditures centered in slider or accordion-style windows. This provides a limit of $(\$61,568 \times 50\%) = \$30,784$.

As such, the lesser of these two amounts is the \$30,784 for Façade Grant improvements.

Property Tax Consideration:

Property taxes are current on the property, and the building is within the defined Elbow District as found in the FAB-REP Guidelines.

Staff Recommendation:

Per Retail Enhancement Grant Guidelines, applications are scored using a rubric that rates the business plan and the anticipated contribution to local property taxes and sales taxes. The rating for the subject redevelopment is found below:

A. Business Plan (see point breakdown below) – (up to 40 points)

Categories	Points Available	Points scored
The plan shows good short-term profit potential and contains realistic financial projections	10	8
The plan shows how the business will target a clearly defined market and its competitive edge	5	4
The plan shows that the management team has the skills and experience to make the business successful	10	7
The plan shows that the entrepreneur has made or will make a personal (equity) investment in the business venture	10	7
Number of FTE job positions created in excess of the required two (2) positions	5	4
TOTAL	40	30

B. Expansion of the local property tax base by stimulating new investment in existing Downtown properties (up to 5 points for properties five years and older and an additional 5 points if the property is a historic property (local landmark status or contributing structure status) – maximum of 10 points)

Properties	Points Available	Points scored
100 E Adams (1926)	5	3
Historic Property	5	5
Total	10	8

C. Expansion of the state and local sales tax base by increasing sales for new or existing shops (up to 5 points)

Expansion of sales tax	Points Available	Points scored
Bar Type III	5	4
Total	5	4

Total	55	42
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A minimum score of 30 out of 55 possible points is required to have the proposed project referred to the REPD Committee for funding consideration. With a score of 42, the subject proposal qualifies for consideration by the REPD Committee.

Staff review of the application indicates the proposed project meets the Redevelopment Goals within Downtown Jacksonville as outlined below:

- 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 focusing 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.
- 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.
- 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.

Based on the information presented in this staff report, DIA staff recommends funding under the application submitted based on the following calculations:

Type	Total
FAB-REP Forgivable Loan	\$100,000
Sidewalk Enhancement Grant	\$ 15,000
Façade Grant	\$ 30,874
Total	\$145,874

FAB-REP Additional Conditions

1. No interest shall accrue upon the principal of the total FAB-REP forgivable loan amount with principal forgiven over a five (5) year period.
2. Total principal balance will amortize 20% each year of the compliance period.
3. At the end of five years, the forgivable 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.
4. If it is determined that the recipient(s) are in default, interest and full payment of the forgivable loan may be demanded.
5. Further approvals of exterior improvements may be required by the Downtown Development Review Board.

See the Term Sheet, Exhibit A to Resolution 2022-04-11, for additional information on proposed terms and conditions.

Ex. A – Total Development Costs

PROJECT BUDGET				
Description	Total	Eligible Costs	Ineligible Costs	Façade Improvement
Construction Costs				
Division 1: General Requirements				
General Conditions	\$ 37,830		\$ 37,830	
Miscellaneous Demolition	\$ 1,300		\$ 1,300	
Dumpster Fee	\$ 1,170		\$ 1,170	
Division 3: Concrete				
Concrete Fill	\$ 14,649	\$ 14,649		
Concrete Curbing	\$ 5,411	\$ 5,411		
Concrete Slab Cutting, Drilling and Repair	\$ 2,594	\$ 2,594		
Division 4: Masonry				
CMU In-Fill at Openings	\$ 917	\$ 917		
Miscellaneous Repairs	\$ 328		\$ 328	
Division 6: Wood & Plastics				
Temporary Shoring	\$ 6,635	\$ 6,635		
Framing Material	\$ 14,781	\$ 14,781		
Framing Labor	\$ 19,656	\$ 19,656		
Rough Carpentry Hardware	\$ 13,104	\$ 13,104		
Division 7: Thermal & Moisture Detection				
Roofing - Repair	\$ 22,000	\$ 22,000		
Miscellaneous Repairs	\$ 5,000		\$ 5,000	
Division 8: Doors & Windows				
Doors and Hardware	\$ 1,147			\$ 1,147
Storefront & Storefront Sliders	\$ 37,408			\$ 37,408
Division 9: Finishes				
Drywall	\$ 15,000	\$ 15,000		
Painting	\$ 10,000	\$ 10,000		
FRP - Bar & BOH	\$ 1,638	\$ 1,638		
Wall Tiles - Bathroom	\$ 4,914	\$ 4,914		
Flooring - Stained Concrete	\$ 5,701	\$ 5,701		
Flooring - Bar & BOH - Epoxy	\$ 2,110	\$ 2,110		
Division 10: Exterior				
Exterior Enhancements	\$ 18,750			\$ 18,750
Division 11: F,F, & E				
Walk-in Refrigerator	\$ 7,500	\$ 7,500		
Signage	\$ 4,263			\$ 4,263
Misc. Equipment	\$ 9,722		\$ 9,722	
Audio Visual	\$ 23,200		\$ 23,200	
POS System	\$ 2,317		\$ 2,317	

Ex. A – Total Development Costs (Cont.)

Division 12: Furnishings				
Millwork	\$ 31,408	\$ 31,408		
Furniture	\$ 17,221		\$ 17,221	
Division 15: Mechanical Systems				
Fire Protection-Underground From Tap to Riser	\$ 12,211	\$ 12,211		
Fire Protection-Commercial Tenant Spaces	\$ 27,498	\$ 27,498		
Fire Protection	\$ 12,399	\$ 12,399		
Plumbing	\$ 35,381	\$ 35,381		
HVAC	\$ 38,277	\$ 38,277		
Division 16: Electrical Systems				
Electric	\$ 46,458	\$ 46,458		
Light Fixture Package	\$ 9,500	\$ 9,500		
Overhead	\$ 17,462		\$ 17,462	
Fee	\$ 17,462		\$ 17,462	
Insurance	\$ 3,037		\$ 3,037	
Total Construction Costs:	\$ 557,359			
Architectural & Engineering				
Architecture & Engineering	\$ 19,414		\$ 19,414	
Civil Engineer	\$ 2,157		\$ 2,157	
Total Architectural & Engineering:	\$ 21,571			
Development Overhead				
Project Contingencies	\$ 17,225		\$ 17,225	
Other				
Total Real Estate Financing Costs:	\$ 17,225			
Total Project Costs:	\$ 596,156	\$ 359,742	\$ 174,846	\$ 61,568

TAB III.G
RESOLUTION 2022-04-10: FINCANTIERI REV GRANT

RESOLUTION 2022-04-10

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY RECOMMENDING CITY COUNCIL APPROVAL OF A COJ RECAPTURE ENHANCED VALUE GRANT (“REV”) FOR FINCANTIERI MARINE REPAIR LLC; AUTHORIZING THE CHIEF EXECUTIVE OFFICER (THE “CEO”) TO NEGOTIATE A REDEVELOPMENT AGREEMENT REGARDING THE SAME BETWEEN THE CITY OF JACKSONVILLE, DOWNTOWN INVESTMENT AUTHORITY, AND FINCANTIERI MARINE REPAIR LLC; AUTHORIZING THE CEO OF THE DOWNTOWN INVESTMENT AUTHORITY TO EXECUTE SUCH AGREEMENT; PROVIDING AN EFFECTIVE DATE.

WHEREAS, Fincantieri Marine Repair LLC (the “Applicant”) has entered into a long-term commercial lease of approximately 31 acres in the Working Waterfront District within the Combined Northbank CRA of Downtown Jacksonville and proposes to redevelop the property for the purpose of expanding its international and North American shipbuilding and repair business; and

WHEREAS, the Applicant is proposing to expend approximately \$30,000,000 on improvements, upgrades, and installation of new equipment at the leased property that will increase the county ad valorem property taxes and tangible personal property taxes over the useful life of the assets; and

WHEREAS, incentives, as proposed by the COJ Office of Economic Development in 2020, were integral to the decision of the Applicant in choosing Jacksonville as the site to expand its operations and to establish its newest location; and

WHEREAS, the Downtown Investment Authority (“DIA”) is authorized per section 55.108 Economic Development of the City Ordinance Code, to utilize the Tax Increment Finance District Trust Funds to foster the redevelopment of the Downtown Northbank Community Redevelopment Area; and

WHEREAS, DIA is proposing a COJ Recapture Enhanced Value Grant, in the amount of \$1,500,000, that does not otherwise qualify for an established DIA Incentive Program; and

WHEREAS, the REV Grant annual payments will be funded through the Northside Tax Increment Finance District Trust Fund; and

WHEREAS, the DIA Board considered the Applicant’s request, in the context of the Tiers Approach as found in the DIA BID Strategy and found the request meets each of the criteria defined therein; and

WHEREAS, The DIA finds that this Resolution furthers the following Redevelopment Goals and Strategic Objectives and Benchmarks found in the BID Plan:

Redevelopment Goal No. 1 – Reinforce Downtown as the City’s unique epicenter for business, history, culture, education, and entertainment.

Strategic Objectives met or Benchmark contributions:

- Increase the opportunities for Downtown employment.
- Number of Jobs
- Number of Business Establishments
- Tax Value and Impact to TIF and Future Projections
- Annual Private Capital Investments

Redevelopment Goal No. 3 - Simplify the approval process for downtown development and improve departmental and agency coordination.

Strategic Objectives met or Benchmark contributions:

- Initiate public/private partnerships.
- Tax Value and Impact to TIF and Future Projections
- Annual Private Capital Investments

WHEREAS, the DIA Board, therefore, recommends approval of a COJ Recapture Enhanced Value Grant in the amount of \$1,500,000 to help support the commercial growth occurring in the Working Waterfront of Downtown Jacksonville.

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 Board hereby authorizes the CEO of the Downtown Investment Authority to initiate legislation for approval by City Council of a Redevelopment Agreement, or functional equivalents in accordance with the purposes of this Resolution.

Section 3. The DIA Board hereby authorizes the CEO of the Downtown Investment Authority to take all action necessary to effectuate the purposes of this Resolution, including the execution of a Redevelopment Agreement, or functional equivalents, providing that such actions incorporate, at a minimum, the terms and conditions contained in Exhibit 'A' to this Resolution 2022-04-10.

Section 4. This Resolution, 2022-04-10, shall become effective on the date it is signed by the Chair of the DIA Board.

Section 5. The Chief Executive Officer is hereby authorized to execute the contracts and documents and otherwise take all necessary action in connection therewith to effectuate the purposes of this Resolution.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

W. Braxton Gillam IV, Esq., Chairman

Date

VOTE: In Favor: ____ Opposed: ____ Abstained: ____

Exhibit A:

**DIA RECAPTURED ENHANCED VALUE GRANT
TERM SHEET**

Fincantieri Marine Repair LLC

Developer/Applicant: The applicant, Fincantieri Marine Repair LLC (“Fincantieri,” “Applicant,” or “Tenant”), is a subsidiary of Fincantieri Marine Systems North America under the parent organization, Fincantieri S.p.A. Fincantieri S.p.A. is a renowned international shipbuilder based in Genova, Italy with more than 20 locations worldwide. The Applicant has established a location in Jacksonville Florida through a long-term lease from Commodore Point Properties, Ltd. (“Property Owner”) of approximately 31 acres at 2060 E. Adams St. in the Working Waterfront District of Downtown Jacksonville.

Project: Applicant is expected to spend approximately \$30 million on improvements to the leased property and will ultimately be conducting repair and maintenance operations on ships and large vessels at the site. Per the terms of the NNN lease, the Applicant is responsible for incremental property taxes incurred on the leased property for increases in the value of the leased property above a level not yet established but estimated at \$5,458,300 (“Minimum Property Value”).

Total Development Costs (estimate): \$29,067,799

DIA Funding:

Not more than **\$1,500,000** through the City of Jacksonville Downtown Investment Authority as the Northbank CRA, as follows:

REV Grant: The Developer is requesting a REV Grant equal to 50% of the City of Jacksonville portion of the estimated incremental ad valorem taxes generated by the project for a period of 10 years. The total REV grant indebtedness will not exceed \$1,500,000.

Infrastructure: No City of Jacksonville infrastructure improvements are contemplated with this proposal.

Land: No City of Jacksonville land is committed to the project.

City of Jacksonville Funding:

Not more than **\$300,000** through the City of Jacksonville as administered by the Office of Economic Development, as follows:

Loans/Grants: Fincantieri was approved in May 2020 under ordinance 2020-0241 for up to \$300,000 from the City for Qualified Target Industry (QTI) funding in conjunction with State of Florida QTI, which may not exceed \$1,500,000 on a combined basis.

Minimum Property Value Increase per the Duval County Property Appraiser:

- Eligibility for funding under the DIA REV Grant is contingent upon the Minimum Property Value, as established in the lease, increasing by \$5,000,000 or greater per the Duval County Property Appraiser in its annual assessment.

Additional Commitments:

- REV Grant payments will be paid annually beginning in any year of eligibility, but such first tax year shall not be later than 2025 (with REV Grant payment made in 2026).
- The payment period will commence with the submission of the first REV payment request and will continue uninterrupted for ten consecutive years thereafter.
- REV Reimbursement shall be made only from increases realized in the City of Jacksonville portion of the ad valorem taxes collected in any eligible tax year.
- Applicant must be in continuous operation at the subject site, subject to force majeure, to be eligible for REV Grant payments for any given tax year.
- The final Minimum Property Value must be established with the Property Owner/Landlord prior to filing the legislation for final approval with the City of Jacksonville City Council.

This Term Sheet is limited by the following conditions:

There will be additional terms, conditions, rights, responsibilities, warranties, and obligations for both parties shall be determined in a later negotiated mutually agreeable written contract (or multiple written contracts as is deemed necessary).

SUPPLEMENTAL INFORMATION

Fincantieri Marine Repair LLC

COJ Recapture Enhanced Value Grant (REV)

**Staff Report
April 14, 2022**

Applicant: Fincantieri Marine Repair LLC,
a subsidiary of Fincantieri Marine Systems North America

Project: Fincantieri Shipyard Redevelopment
Program Request: COJ Recapture Enhanced Value Grant (REV)

Total Development Costs (as presented): \$29,067,799
Total Development Cost (as underwritten): \$21,900,000

REV Requested/Proposed: \$1,500,000 50% / 10 years

The Project

Per a recent press release by the applicant, “Fincantieri is one of the world’s largest shipbuilding groups, the only one active in all high-tech marine industry sectors. It is a leader in the construction and transformation of cruise, naval and oil & gas, and wind offshore vessels, as well as in the production of systems and component equipment, after-sales services, and marine interiors solutions. Thanks to the expertise developed in the management of complex projects, the Group boasts first-class references in infrastructures, and is a reference player in digital technologies and cybersecurity, electronics, and advanced systems. With over 230 years of history and more than 7,000 ships built, Fincantieri maintains its know-how, expertise, and management centres in Italy, here employing 10,000 workers and creating around 90,000 jobs, which double worldwide thanks to a production network of 18 shipyards operating in four continents and with over 20,000 employees.” The applicant, Fincantieri Marine Repair LLC (“Fincantieri,” “Applicant,” or “Tenant”), is a subsidiary of Fincantieri Marine Systems North America under the parent organization, Fincantieri S.p.A.

Fincantieri has entered into a lease agreement with Commodore Point Properties, Ltd. for approximately 31 acres in the Working Waterfront District of the Northbank Combined CRA. The initial term of the lease is for 15 years, with two unilateral five-year extension options in favor of the lessee, Fincantieri, and an additional ten-year extension option that requires bilateral agreement between the lessor and lessee.

Plans for the redevelopment of the site by Fincantieri will require capital expenditures approaching \$30 million. Of that total, DIA staff estimates that approximately \$22 million of capital expenditures may result in increased property taxes of an undetermined amount or may otherwise be captured by the Duval County Property Appraiser as Tangible Personal Property and taxed through that channel instead.

The terms of the lease also require Fincantieri to pay any incremental ad valorem property taxes above a base level of property value that is currently being determined by the lessor, Commodore Point. Estimates

made by DIA staff are that the base value will be approximately \$5.4 million, and the lessor agrees that the logic used in reaching that number appears on target.

QTI Award

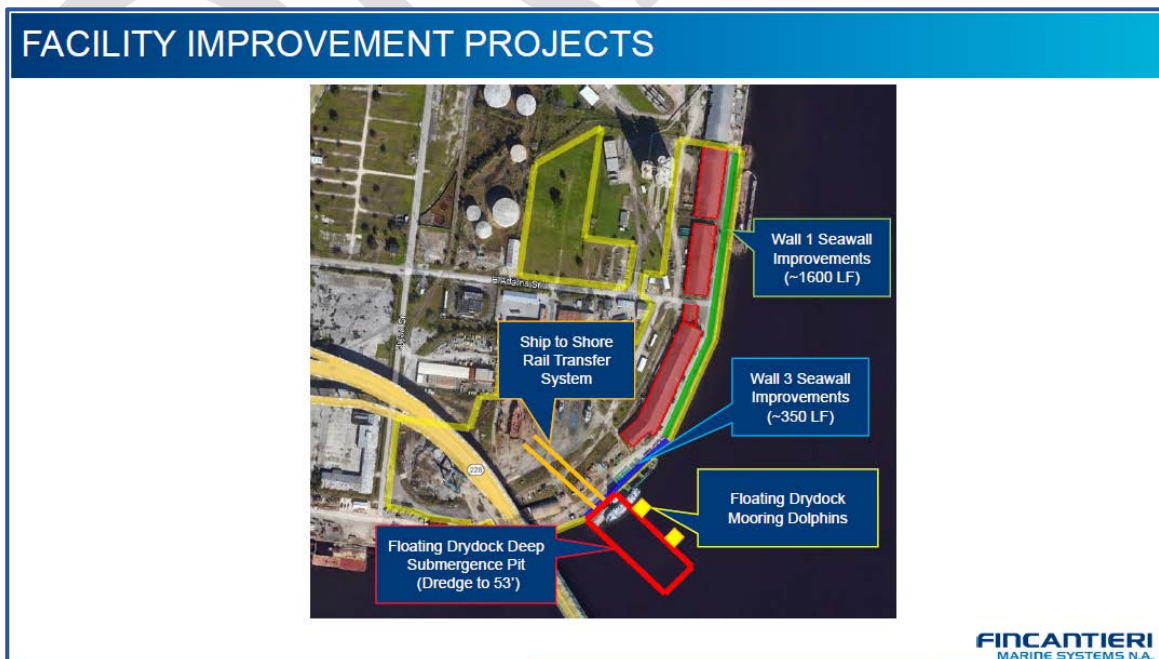
In 2020, the Office of Economic Development worked with the applicant on a Qualified Target Industry (QTI) Tax Refund with the State of Florida. As approved by the City and the State, the QTI program will provide a tax credit of \$5,000 per job totaling up to a maximum of \$1,500,000. The City of Jacksonville will provide a 20% match to participate in the QTI Program, or \$1,000 per job, totaling up to a maximum of \$300,000. The QTI incentive is administered by the Florida Department of Economic Opportunity in conjunction with the COJ Office of Economic Development and the benefit is paid out in increments of 25% per year after the job is created and wages are verified. Based on the job creation schedule provided, the QTI payout would extend from 2021 to 2028. The commitment of Fincantieri is for the creation of up to 300 new jobs at an average wage of \$59,146 plus benefits, 119% of the State of Florida's Average Wage by no later than Dec. 31, 2024. As such, the annual payroll resulting from the creation of 300 new full-time jobs at an average annual wage of \$59,146 is \$17.7 million (excluding benefits).

REV Calculations

In determining the maximum amount for the REV, DIA staff modeled the estimated increase in ad valorem taxes based on the proposed expenditure of \$21.9 to \$29 million over a ten-year period. The incremental amount of the City portion of ad valorem taxes by this approach is \$1.3 to \$1.7 million, and therefore the maximum payout is set at \$1.5 million.

However, because of the unique nature of improvements being made to the property (as identified in Figure 1. below), the potential impact on the value of the real property is uncertain as the traditional approach of using construction costs as a proxy for the income approach employed by the property appraiser's office are considered less applicable in this circumstance.

Figure 1. Proposed Improvements



Further, it is likely that increased taxes will be split between the increased valuation of the real property and new tangible personal property liability imposed on the applicant. Both of these categories of taxes (further limited only to the increase in the City of Jacksonville portion of ad valorem) are eligible for reimbursement under the REV commitment.

Further consideration is given with the understanding that payments under the REV are self-funding through taxes as they are paid and limited to the established proportion of the Annual Project Revenue (the incremental amount of the City portion of ad valorem plus tangible personal property taxes). As such, an alternative to establishing a minimum capital requirement is utilized in this proposal. That alternative approach establishes a minimum increase above the Minimum Property Value which must be met before payments of the REV are made in order to achieve a minimum return of 1.0X on both the QTI payments and the REV Payments. That minimum has been established as \$5,000,000 which would generate total Annual Project Revenue of \$601,371 over the ten-year time frame, sufficient to cover the \$300,000 of QTI and the minimum REV payout of \$300,685, 1.0X. Increases in the City's assessment above \$5,000,000 would benefit Fincantieri up to the maximum funding level of \$1.5 million over the ten-year period.

Recommendation:

Because the request does not fall under an established DIA Program, analysis using the decision-making criteria established as the tiered approach within the BID Plan is required.

Tier 1 – The project meets no fewer than two (2) of the seven (7) BID Goals.

As submitted by the applicant, the project is proposed to contribute positively towards:

Redevelopment Goal No. 1 – Reinforce Downtown as the City's unique epicenter for business, history, culture, education, and entertainment.

Strategic Objectives met or Benchmark contributions:

- Increase the opportunities for Downtown employment.
- Number of Jobs
- Number of Business Establishments
- Tax Value and Impact to TIF and Future Projections
- Annual Private Capital Investments

Redevelopment Goal No. 3 - Simplify the approval process for downtown development and improve departmental and agency coordination.

Strategic Objectives met or Benchmark contributions:

- Initiate public/private partnerships.
- Tax Value and Impact to TIF and Future Projections
- Annual Private Capital Investments

Tier 2 - Submit to the DIA information demonstrating the financial need for the incentives proposed.

As Fincantieri considered multiple states and cities for the location of their newest site, incentives were an integral consideration. The QTI portion of the incentive package with the Applicant was considered independently in 2020, as the State of Florida had announced plans to sunset the program by the end of 2020. In the absence of these incentive programs, it is highly likely that Fincantieri may have chosen an alternative location for its operations.

Tier 3 - The project will positively affect no fewer than four (4) of the BID Performance Measures.

The relocation of Fincantieri to the Working Waterfront provides positive impact on each of the following Performance Measures:

Downtown Economic Indicator

- Employment – The Applicant is expected to generate more than 300 new jobs in the Working Waterfront prior to 2028.
- Residents – By bringing more than 300 new employees Downtown, it is certain that some, if not many, will choose to live in close proximity to their workplace.
- Business Establishments – Fincantieri is new to the Jacksonville market and brings an internationally recognized high-profile corporation to our City.
- Increase Tax Value – Total property taxes are projected to increase by as much as \$4.8 million over the ten-year time frame of the REV proposal, with a \$3.0 million increase to the City of Jacksonville portion collected.
- Hotel Occupancy – As part of an international corporation and a subsidiary of a larger US division, it is certain that the company will bring frequent business travelers to Downtown which will have a positive impact on Hotel Occupancy, in addition to local restaurants and other venues.

Conclusion

The DIA staff recommendation is for the approval of the \$1.5 million REV Grant as outlined in this Staff Report and in accordance with Resolution 2022-11-09 and the Ex A Term Sheet.

TAB IV.A
MARCH 16, 2022 DOWNTOWN INVESTMENT AUTHORITY BOARD MEETING
MINUTES



Downtown Investment Authority
Hybrid Meeting
Wednesday, March 16, 2021 – 2:42 p.m.

Downtown Investment Authority
MEETING MINUTES

DIA Board Members: Braxton Gillam, Esq., Chair (via Zoom); Carol Worsham, Vice Chair (Acting Chair); Jim Citrano, Secretary; Oliver Barakat; Craig Gibbs, Esq.; Todd Froats; and Ron Moody

DIA Board Members Excused: David Ward, Esq.

Mayor’s Staff: None

Council Members: None

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

Office of General Counsel: John Sawyer, Esq.

CALL TO ORDER: Chairman Gillam called to order the Downtown Investment Authority Board Meeting at 2:42 p.m.

IV. DOWNTOWN INVESTMENT AUTHORITY MEETING

A. FEBRUARY 23, 2022 DOWNTOWN INVESTMENT AUTHORITY BOARD MEETING APPROVAL OF THE MINUTES.

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

Motion: BM Moody moved to approve the minutes as presented

Seconded: BM Worsham seconded the motion

Vote: Aye: 7 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 7-0-0

B. RESOLUTION 2022-03-03: DIA STAFFING

A RESOLUTION A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) URGING THE MAYOR AND CITY COUNCIL TO

SUPPORT AN INCREASE IN STAFFING OF THE DOWNTOWN INVESTMENT AUTHORITY WITH THE ADDITION OF AT LEAST 6 ADDITIONAL POSITIONS; AUTHORIZING ITS CHIEF EXECUTIVE OFFICER (“CEO”) TO PURSUE LEGISLATION AND/OR SUBMIT BUDGET REQUESTS NECESSARY TO EFFECTUATE THIS DIRECTION; RECOGNIZING THE URGENCY OF THE REAL ESTATE MARKET CYCLE AND THE CURRENT OPPORTUNITIES FOR REDEVELOPEMENT THAT CANNOT BE ADEQUATELY ADDRESSED BY CURRENT STAFF DESPITE THEIR COMMITMENT OF TIME WELL BEYOND JOB REQUIREMENTS; AUTHORIZING THE CEO TO TAKE ALL NECESSARY ACTION TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

CEO Boyer introduced the resolution, stating that it would provide the DIA with permission to move forward with legislation that would add up to six additional staff to the DIA with the intention of increasing organizational bandwidth in order to keep pace with market demands and to effectively implement programs and manage projects. She spoke to an organizational chart provided to Board Members that describes the various positions the DIA has prioritized, noting that the Downtown Capital Projects and Maintenance Coordinator position has been removed – at least for the time being – since the City’s Public Works Department has hired a new staff member that will serve a similar role. Due to the MPS legislation that City Council recently approved, the DIA will see an annual cost savings of at least \$2M and is therefore able to completely fund the additional positions through the CRA and have additional funding leftover. The highest priority position is the Parking Manager.

Motion: Recommended for approval out of the Strategic Implementation Committee

BM Froats, Gibbs, and Worsham expressed their support, noting that the positions are necessary to keep projects from being held up and to prevent staff from becoming overworked.

Responding to a question from BM Worsham, CEO Boyer stated that City Council will need to authorize the DIA to take on additional staff.

BM Barakat spoke to the importance of the Downtown Capital Projects and Maintenance Coordinator position and would like this role to be monitored and emphasized whether it is filled by Public Works or the DIA.

Chairman Gillam expressed support for the project and reiterated the importance of downtown capital projects and maintenance.

CEO Boyer agreed to keep the Board informed of when the legislation will be before City Council.

Vote: Aye: 7 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 7-0-0

C. RESOLUTION 2022-03-04: MAYO CLINIC PARKING AGREEMENT

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) RECOMMENDING CITY COUNCIL APPROVAL OF A PARKING AGREEMENT BETWEEN THE DIA AND MAYO CLINIC JACKSONVILLE (MAYO) FOR MONTHLY AND HOURLY PARKING AT THE ED BALL GARAGE; PROVIDING AN EFFECTIVE DATE.

CEO Boyer introduced the resolution, stating that it seeks approval of a parking agreement between the DIA and Mayo Clinic of Jacksonville for monthly and hourly parking at the Ed Ball garage at the established published rates.

Motion: Recommended for approval out of the Strategic Implementation Committee

BM Gibbs asked how many spaces will they need. DIA’s Guy Parola responded that they are seeking six monthly parking spaces for their staff. They will also require hourly parking for patrons visiting their downtown location.

Vote: Aye: 7 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 7-0-0

D. RESOLUTION 2022-03-05: FURCHGOTT’S BUILDING DPRP

RECOMMENDING THAT CITY COUNCIL APPROVE A DOWNTOWN PRESERVATION AND REVITALIZATION PROGRAM FORGIVABLE LOAN PACKAGE FOR REHABILITATION OF THE BUILDING LOCATED AT 128 W ADAMS ST (THE “PROPERTY”) PURSUANT TO A REDEVELOPMENT AGREEMENT WITH LOTUS COMMERCIAL USA, LLC OR ASSIGNS (“OWNER” OR “DEVELOPER”); FINDING THAT THE PLAN OF DEVELOPMENT IS CONSISTENT WITH THE DIA’S BUSINESS INVESTMENT AND DEVELOPMENT PLAN (“BID PLAN”) AND THE DOWNTOWN NORTHBANK COMMUNITY REDEVELOPMENT AREA PLAN (“CRA PLAN”); AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO EXECUTE THE CONTRACTS AND DOCUMENTS AND OTHERWISE TAKE ALL NECESSARY ACTION IN CONNECTION THEREWITH TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING AN EFFECTIVE DATE.

Mr. Kelley introduced the resolution, stating that the developer seeks a Downtown Preservation and Revitalization Program (DPRP) Forgivable Loan package to redevelop the property located at 128 W Adams Street into 34,600 sq ft of leasable space for mixed-use purposes including multi-family units, ground level retail, and amenities for residents.

Motion: Recommended for approval out of the Strategic Implementation Committee

Responding to a question from BM Moody, Mr. Kelley stated that the time frame is close to 30 months.

BM Moody asked what kind of retail the project anticipates. Mr. Kelley responded that staff has shared their hopes and expectations but that it has not yet been determined yet to his knowledge. BM Moody expressed his support for the project.

BM Barakat commented that SIC was willing to accept the low ROI because the project will have a multiplier effect on the surrounding area, emphasizing that it is a residential project in the core and the developer is local. He expressed his support for the project.

BM Gibbs spoke to the building's historical significance and expressed his support for the project.

BM Froats spoke to the potential for making a requirement at a later time where applicants must also apply for other historic tax credits and suggested that the Board monitor the amount of funding being provided by the program as a whole. He stated that the program is working as intended but that opportunities for other historic tax credits could help supplant some of the funding being provided by the DPRP. He then asked what the total amount of funding approved by the program so far is, to which Mr. Kelley responded that is close to \$50M.

BM Froats asked if City Council has a designated amount of funds set aside for the program (DPRP). CEO Boyer responded that there is not, which is why City Council is drafting legislation that request funding tracking (e.g., amount outstanding, when it is expected to be paid, etc.) be included every time a request for DPRP funding is submitted. This will show City Council how much in each year they are obligating themselves to. BM Froats reiterated that it's a great program and it's working as intended.

BM Froats asked for clarification regarding the similar DPRP funding amount between the Furchgott Building project and the Union Terminal project despite the significant difference in total capital costs. Mr. Kelley responded that the Union Terminal project is different in that it has Housing and Urban Development (HUD) financing; adding that, the structure of the capital stack allowed for more debt to be placed on it.

Vote: Aye: 7 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 7-0-0

V. RESOLUTION 2022-03-06: UNION TERMINAL DPRP TERM SHEET AMENDMENT

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 (“OWNER”) 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.

Mr. Kelley introduced the resolution, stating that it involves the previously approved DPRP funding for the development of the Union Terminal Warehouse for which the developer has recently had a change in the debt equity structure that has led to him going back through the underwriting process. Mr. Kelley noted that there is not an additional funding request, but that HUD financing fell through, so it is no longer eligible for the same debt load and therefore there’s more equity in the deal. The funding amount remains the same.

Motion: BM Citrano moved to approve Resolution 2022-03-06

Seconded: BM Moody seconded the motion

BM Moody spoke to the need for this type of redevelopment in the area and expressed his support for the project.

Responding to a question from BM Barakat regarding the use of the space (type of tenants), Mr. Kelley stated the intended use is still the same which is artists and “maker’s space”. The square footage requirement would remain the same but there would no longer be a requirement on the number of tenants.

Responding to a question from BM Citrano regarding the rent restriction that was tied to the HUD financing, Mr. Kelley stated that even though it is no longer a requirement, looking at the developer’s past projects shows they are mission driven to provide this type of infill development, both for job creation as well as housing affordability and mixed incomes.

BMs Worsham and Gibbs expressed their support the project and their belief that it will be beneficial to the surrounding community.

BM Froats suggested having a resolution such as this go through committee next time so that the big changes can be digested.

OGC’s John Sawyer confirmed for Chairman Gillam that there should be a term put on the deferral of the maturity and principal forgiveness if the owner were to request it.

Mr. Sawyer suggested an amendment to the first two lines of the short title in the resolution:

“Resolution of the Downtown Investment Authority (“DIA”) **amending the previously approved term sheet via Resolution 2021-05-04** approving a Downtown Preservation...”

Motion: BM Citrano moved to amend the short title of Resolution 2022-03-06

Seconded: BM Froats seconded the motion

Ryan Akin, with Columbia Capital Ventures, spoke to why the developer is asking for a deferral of maturity and principal forgiveness on the forgivable loans, citing tax purposes. Adding that, the project does not provide enough cash flow to pay taxes on the annual principal forgiveness. Ideally, the owner/developer would prefer that maturity date coincide with the liquidation event such that the taxes could be paid out of the proceeds from the liquidation.

Vote: Aye: 7 Nay: 0 Abstain: 0

THE MOTION TO AMEND PASSED UNANIMOUSLY 7-0-0

Vote: Aye: 7 Nay: 0 Abstain: 0

THE MOTION TO APPROVE AS AMENDED PASSED UNANIMOUSLY 7-0-0

VI. NEW BUSINESS

None.

VII. CEO INFORMATIONAL BRIEFING

CEO Boyer provided the following update:

- The DIA has reviewed and received a quote (\$50,000) for a software system that will assist with the maintenance and improvement of downtown assets and infrastructure. Public Works and their staff will be working with the software and inputting the data, but Public Works would like the DIA’s assistance with acquiring the program. The DIA has funds available in the Professional Services fund.
- The Board agreed to proceed with a consent agenda which will be taken up at the next Governance committee meeting.

VIII. CHAIRMAN REPORT

Chairman Gillam asked for an update on the City’s obligation to provide creek improvements and a public park for the One Riverside Ave project. CEO Boyer responded that weekly meetings are taking place with Public Works and the design team and the City is on track to begin construction by December.

DIA’s Guy Parola spoke to the Riverfront Plaza Development Pad Notice of Disposition being moved up (to tomorrow). All other dates remain the same. CEO Boyer asked the Board to consider who

would like to be on the scoring committee and confirmed that the matter will come before the Board in May.

IX. ADJOURN

ADJOURNMENT: There being no further business, Madam Chair Worsham adjourned the meeting at 3:58 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.B
RESOLUTION 2022-04-01: AMENDMENT TO DIA BYLAWS – CONSENT AGENDA

RESOLUTION 2022-04-01

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) RENUMBERING AND AMENDING SECTION 6.6 (ORDER OF BUSINESS) AND CREATING A NEW SECTION 6.6 (AGENDAS) OF THE DIA BYLAWS; DIRECTING BYLAWS TO BE AMENDED; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the DIA Board of Directors adopted the original DIA Bylaws at their regular meeting of October 30, 2012, and amended such Bylaws at their regular meetings of August 7, 2019, and November 18, 2020; and

WHEREAS, the DIA is authorized to amend provisions of the DIA Bylaws pursuant to Section 14.4 of the current Bylaws; and

WHEREAS, in an attempt to make regular and special meetings of the DIA Board of Directors proceed more efficiently, the Board desires to add a Consent Agenda to the Order of Business for DIA meetings allowing for the collective consideration of all Resolutions approved by standing Committees without opposition or amendment.

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 current DIA Bylaws, adopted October 30, 2012, as amended on August 7, 2019 and November 18, 2020, are hereby further amended, in part, to read as follows:

Section **6.6 (Order of Business)** is renumbered to Section **6.7**, and the following new language is added to Section **6.6**:

- 6.6** **Agendas:** For each regular or special meeting, Staff shall prepare an agenda for use by the Board for the same.
- (a.) Preliminary Meeting Agenda: In advance of each regular or special meeting, Staff shall prepare a Preliminary Agenda and distribute it to each member of the Board and make the same available to the public as required by Florida Statutes and/or local Ordinance Code.
- (b.) Meeting Agenda: In advance of each regular or special meeting, Staff shall prepare a Meeting Agenda for use during the actual regular or special meeting. With prior consent from the Chairman, action items not previously available at the time the Preliminary Agenda was published may be added to the Meeting Agenda.

- (c.) Consent Agenda: There shall be included in the Order of Business for each regular or special meeting, a Consent Agenda of all Resolutions which:
- (i) have received a favorable report without a negative vote from any Committee member, and to which no amendments were made in committee, from each standing Committee that considered the same; and
 - (ii) meet the criteria established in the Bylaws for consent agenda consideration of contributions, sponsorships, small grants and loans and programming.

At the appropriate time during a regular or special meeting, the Chairman shall announce the taking up of the Consent Agenda. Any Resolution on the Consent Agenda may be removed therefrom for the purpose of further debate or amendment at the request of any Board member, in which case the Resolution so removed shall be debated and considered immediately following the vote on the Consent Agenda. At the conclusion of the reading of the Consent Agenda, but before debate on any removed Resolutions, the Chairman shall call for one vote on the entire Consent Agenda which shall then be applicable to each Resolution on the Consent Agenda.

6.67 Order of Business: Business of the Board shall be ordinarily taken up at each regular meeting for consideration and disposition in the following order, subject to the discretion of the Chair.

- I. CALL TO ORDER
 - a. Confirmation of Quorum
 - b. Request for Submittal of Speaker Cards, if applicable
- II. PUBLIC COMMENTS
- III. ACTION ITEMS
 - a. Approval of Minutes
 - b. Request for submittal of Speaker Cards, if applicable
 - c. Consent Agenda
 - d. Consideration of applications for economic development and/or redevelopment projects within Downtown;
 - e. Consideration of community redevelopment area plans, planned projects, business investment plans and plan amendments;
 - f. Consideration of any matters related to any of the enumerated powers and duties of the DIA;
 - g. Consideration of appeals from DDRB determinations;
- IV. INFORMATION/DISCUSSION ITEMS
- V. OLD BUSINESS
- VI. NEW BUSINESS
- VII. CEO INFORMATIONAL BREIFING
- VIII. CHAIRMAN REPORT
- IX. ADJOURNMENT

Section 3. The staff of the DIA is directed to prepare a revised version of the DIA Bylaws, to be dated April 20, 2022, incorporating the amendment above.

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

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

W. Braxton Gillam, IV, Esq., Chairman

_____ Date

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

TAB IV.C
RESOLUTION 2022-04-02: CONSENT AGENDA FINANCIAL MATTERS

RESOLUTION 2022-04-02

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AMENDING BYLAWS SECTION 2.0 (POWERS AND DUTIES); DELETING BYLAWS SECTION 2.6 PRE-APPLICATION MEETINGS AND REPLACING IT WITH A NEW SECTION 2.6; DIRECTING BYLAWS TO BE AMENDED; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the DIA Board of Directors adopted the original DIA Bylaws at their regular meeting of October 30, 2012, and amended such Bylaws at their regular meetings of August 7, 2019, and November 18, 2020; and

WHEREAS, the DIA is authorized to amend provisions of the DIA Bylaws pursuant to Section 14.4 of the current Bylaws; and

WHEREAS, in recognition of the growing number of redevelopment activities and projects handled by DIA and growing resources available to the DIA in carrying out its mission as authorized by the adopted BID and CRA plan which governs the agency, as amended from time to time; and

WHEREAS, as a volunteer board, the time commitment of Board members is a valuable resource that should be focused on matters of policy, material impact on Downtown, and matters requiring City Council approval; and

WHEREAS, pursuant to the Board’s and City Council’s approval of the annual budgets for the Combined Northbank and Southside Community Redevelopment Agencies and the DIA Administrative Budget, the Board retains authority for allocation of funding to specific Projects, Programs and Professional Services and various budgetary accounts; and

WHEREAS, the authority to transfer funds from one CRA budgeted program or project to another remains with the Board; and

WHEREAS, the DIA Board desires to amend its Bylaws to specifically authorize certain final loan or grant award decisions pursuant to approved BID program guidelines in an amount not to exceed Fifteen Thousand Dollars (\$15,000.00) per application or applicant per year, subject to available budgeted funds, to proceed directly to the Board for consideration on the Consent Agenda; and

WHEREAS, the DIA Board desires to amend its Bylaws to specifically authorize certain contributions to private organizations and sponsorships of events that take place in Downtown and/or further the Business Investment and Development Plan and do not exceed Five Thousand Dollars (\$5,000.00) per event or sponsorship, subject to available budgeted funds to proceed directly to the Board for consideration on the Consent Agenda and to rescind Resolution 2021-09-04; and

WHEREAS, the DIA Board desires to amend its Bylaws to specifically authorize certain payments for Downtown park programming consistent with the Jessie Ball duPont Study activation recommendations, the GAI Parks Assessment and/or the adopted BID and CRA plan in an amount not to exceed Five Thousand Dollars (\$5,000.00) per program or provider per year, subject to available budgeted funds to proceed directly to the Board for consideration on the Consent Agenda;

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 current DIA Bylaws, adopted October 30, 2012, as amended on August 7, 2019, and November 18, 2020, are hereby further amended, in part, as follows:

Section 2.6 of the current bylaws as reprinted below is hereby deleted in its entirety.

~~**2.6 — Pre-Application Meetings:** All developers and applicants shall meet with one Board member and DIA staff prior to submission of any application requiring DIA review. Such review must be conducted prior to the subject application being deemed complete. It shall be noted on the agenda for each such item the name of the Board member who attended the pre-application meeting~~

A new Section 2.6 entitled Certain Financial Matters Assigned Directly to Consent Agenda is hereby inserted as follows:

2.6 Certain Financial Matters Assigned Directly to Consent Agenda. The following financial awards, contributions, sponsorships and payments shall be assigned directly to the Consent Agenda for consideration by the Board without prior committee consideration:

- a. Final loan or grant award decisions pursuant to approved BID program guidelines in an amount not to exceed Fifteen Thousand Dollars (\$15,000.00) per application or applicant per year, subject to available budgeted funds.
- b. Contributions to private organizations and sponsorships of events that take place in Downtown and/or further the Business Investment and Development Plan and do not exceed Five Thousand Dollars (\$5,000.00) per event or sponsorship, subject to available budgeted funds.
- c. Payments for Downtown park programming consistent with the Jessie Ball duPont Study activation recommendations, the GAI Parks Assessment and/or the adopted BID and CRA plan in an amount not to exceed Five Thousand Dollars (\$5,000.00) per program or provider per year, subject to available budgeted funds.

Section 3. The staff of the DIA is directed to prepare a revised version of the DIA Bylaws, to be dated April 20, 2022, incorporating the amendment above.

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

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

W. Braxton Gillam, IV, Esq., Chairman

_____ Date

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

TAB IV.D
RESOLUTION 2022-04-06: 2022 ULI FL SUMMIT SPONSORSHIP

RESOLUTION 2022-04-06

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AUTHORIZING A FIVE THOUSAND DOLLAR SPONSORSHIP CONTRIBUTION FOR THE “2022 URBAN LAND INSTITUTE (ULI) FLORIDA SUMMIT”; INSTRUCTING ITS CHIEF EXECUTIVE OFFICER TO TAKE ALL NECESSARY ACTIONS TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the mission of the DIA is, “To drive growth in business and investment, create a vibrant urban living environment and enhance quality of life in Downtown Jacksonville through the transparent and responsible leveraging of public investments, assets, infrastructure, and policy.; and

WHEREAS, marketing efforts of the DIA seek to facilitate success towards achieving Community Redevelopment Area Goals in support of the aforementioned mission. Specifically:

Redevelopment Goal No. 1: Increase commercial office utilization, occupancy, and job growth to reinforce Downtown as the region’s epicenter for business.

Redevelopment Goal No. 2: Increase rental and owner-occupied housing Downtown targeting diverse populations identified as seeking a more urban lifestyle.

Redevelopment Goal No. 3: Increase and diversify the number and type of retail, food and beverage, and entertainment establishments within Downtown.

Redevelopment Goal No. 4: Increase the vibrancy of Downtown for residents and visitors through arts, culture, history, sports, theater, events, parks, and attractions.

Redevelopment Goal No. 7: Capitalize on the aesthetic beauty of the St. John’s River, value its health and respect its natural force, and maximize interactive and recreational opportunities for residents and visitors to create waterfront experiences unique to Downtown Jacksonville.; and

WHEREAS, ULI is a non-profit, non-partisan, real estate development focused organization whose mission is to “Shape the future of the built environment for transformative impact in communities worldwide”; and

WHEREAS, the 2022 ULI Florida Summit is being hosted by ULI North Florida in Jacksonville, Florida, June 1-3, 2022, and provides DIA with the opportunity to promote development activity and opportunities in Downtown Jacksonville to a concentration of Florida developers, and

WHEREAS, the sponsorship of the ULI Florida Summit event is beneficial to the City of Jacksonville and consistent with the mission and redevelopment goals of the DIA.

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

Section 1. The DIA will contribute \$5,000.00 to the Urban Land Institute to become a sponsor of the 2022 ULI Florida Summit.

Section 2. The DIA authorizes its CEO to take all necessary actions 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.

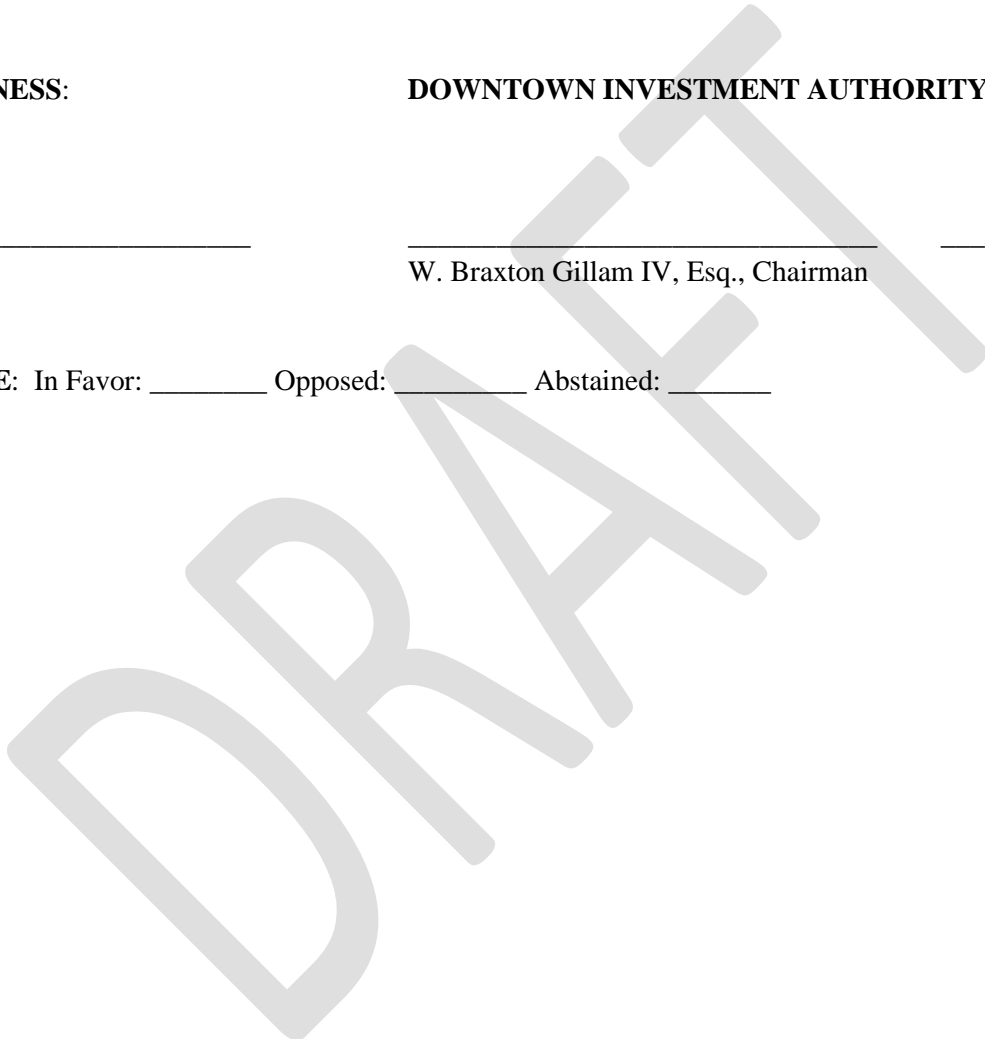
WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

W. Braxton Gillam IV, Esq., Chairman

Date

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



SUPPLEMENTAL INFORMATION



Sponsorship	Presenting \$25k	Champion \$15k	Major \$10k	Premium \$5k	Higher Ed. \$3k	Contributing \$2.5k
Exclusive Sponsorship	●					
Branded Conference Item*	●					
Opportunity to Introduce Keynote Speaker	●					
Opportunity to Introduce General Session	●	●				
Logo included in Announcement Email	●	●				
Logo at Opening Reception	●	●				
Logo in Publication Ad(s)	●	●				
Branding at Session Onsite	●	●				
Presence on Social Media	●	●	●	●		
Promotional Table Onsite	●	●	●	●	●	
Complimentary Registrations	8	6	4	2	8 staff/students	1
Presence on ULI Florida Summit Website	scrolling banner, logo	scrolling banner, logo	logo	logo	name	name
Inclusion in Broadcast Emails	logo	logo	logo	logo	name	name

*Branded conference item to be coordinated/purchased by sponsor

To learn more about these opportunities, contact kellee.seif@uli.org or call 407-435-2876

TAB IV.E
RESOLUTION 2022-04-08: DOWNTOWN VISION, INC. FY 22-23 BUDGET

RESOLUTION 2022-04-08

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 2022-2023 BUDGET; RECOMMENDING THAT THE JACKSONVILLE CITY COUNCIL APPROVE DVI'S 2022-2023 ANNUAL BUDGET INCLUDED IN EXHIBIT 'A'; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, DVI provides public services within the Downtown Business Improvement District ("BID") in accordance with the Enhanced Municipal Services Agreement ("Agreement"), including, but not limited to, cleaning, marketing, event planning, and the Ambassador Program; and

WHEREAS, the City Council, pursuant to Ordinance 1999-1175-E, created the Downtown BID; authorized the imposition of Special Assessments within the BID; and made certain findings of fact as to the benefit to be derived from property owners within the BID; and authorized execution of the Agreement; and

WHEREAS, the City Council reauthorized the Enhanced Municipal Services Agreement between Downtown Vision, Inc. and the City through Ordinance 2005-785-E, Ordinance 2012-422-E and Ordinance 2019-97-E; and

WHEREAS, the Downtown Investment Authority ("DIA") has been designated as the Community Redevelopment Agency for community redevelopment areas within the boundaries of Downtown pursuant to Ordinance 2012-364-E, and further granted authorities via Ordinance 2014-0560-E; and

WHEREAS, the DIA finds that DVI provides valuable, enhanced public services to property owners within the BID that could not effectively be provided without financial support from the City; and

WHEREAS, DVI has submitted the five page Exhibit A for consideration by DIA, inclusive of pages 2, 3 and 4 which represent the DVI budget for FY 22/23,

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 recommends that the City of Jacksonville continue its financial contribution equal to 1.1 mils of the assessed value of City property within DVI's Business Improvement District.

Section 3. The DIA recommends that the City Council approve DVI's Fiscal Year 2022-2023 Budget included in Exhibit 'A' as pages 2, 3 and 4 thereof.

Section 4. This Resolution, 2022-04-08, Shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

W. Braxton Gillam, IV, Esq., Chairman

Date

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

EXHIBIT A

Updated March 19, 2022

**BUSINESS IMPROVEMENT DISTRICT
 (DOWNTOWN VISION)
 JACKSONVILLE, FLORIDA
 BUDGET – FISCAL YEAR 2022-2023**

ESTIMATED REVENUES

DVI PROPOSED

Assessed Properties (1)	\$ 1,659,690
City of Jacksonville (2)	\$ 657,284
Other Sources (3)	\$ 393,439
Total Estimated Revenues	<u>\$2,710,413</u>

Schedule AD

APPROPRIATIONS

	Clean, Safe and Attractive (4)	Marketing, Promotions, Special Projects (5)	Business & Stakeholder Support (6)	Management & General (7)	Total
Personnel Services	\$137,226	\$433,121	\$203,114	\$87,138	\$860,599
Operating Expenses	\$1,371,247	\$334,368	\$81,663	\$62,536	\$1,849,814
Total Appropriations	<u>\$1,508,473</u>	<u>\$767,489</u>	<u>\$284,777</u>	<u>\$149,674</u>	<u>\$2,710,413</u>

- (1) Commercial and residential property owners in DVI's Downtown district pay 1.1 mils of their property's assessed value to DVI, subject to residential property exemptions
- (2) This reflects a contribution from the City of Jacksonville equal to 1.1 mils of the value of the City's owned property in the Downtown district
- (3) This represents all other income for Downtown Vision Inc., including fee-for-service contracts, voluntary contributions from exempt organizations, grants, sponsorships and revenues generated from special events.
- (4) These contracted services include a team of Clean & Safe Ambassadors, a supervising project manager, uniforms, supplies and equipment. This line item includes 50% of the Director of District Services salary plus 25% of administrative budget.
- (5) Includes salaries for Vice President of Marketing, Senior Director of Placemaking, Communications Manager, Events Manager and includes 25% of the admin budget.
- (6) Includes salary for Stakeholder Support Manager, 50% of Vice President of District Services, and 25% of admin budget.
- (7) This represents 25% of the admin budget. The admin budget includes the CEO, Business Administrator and Office Manager positions.

Schedule AE

Updated March 19, 2022

Downtown Vision, Inc. FY2022-2023 Budget

Downtown Vision FY2022 - 2023 Budget						
						BUDGETED 22/23
REVENUES						
City of Jacksonville Request (1)						\$ 657,284
Private Commercial Properties - Assessed at 1.1 mils (2)						\$ 1,659,690
Contracted Services (3)						\$ 116,935
Voluntary Contributions, Sponsorships & Event Income (4)						\$ 275,904
Interest Income						\$ 600
TOTAL REVENUES						\$ 2,710,413
	Clean, safe and Attractive (5)	Mktg, Promotions, special projects (6)	Business/ Stakeholder Support (7)	Total Programs	Management & General (8)	
EXPENDITURES						
Salaries	\$ 112,190	\$ 347,087	\$ 168,298	\$ 627,575	\$ 70,395	\$ 697,970
Employee Benefits	\$ 13,016	\$ 48,851	\$ 16,790	\$ 78,657	\$ 9,201	\$ 87,858
Payroll Taxes/Workers' Comp	\$ 12,020	\$ 37,183	\$ 18,026	\$ 67,229	\$ 7,542	\$ 74,771
Total Salaries & Related Expenses	\$ 137,226	\$ 433,121	\$ 203,114	\$ 773,461	\$ 87,138	\$ 860,599
Professional Fees and Contract Services	\$ 1,300,312	\$ 175,533	\$ 19,128	\$ 1,494,973	\$ -	\$ 1,494,973
Supplies/Equip. & Postage	\$ 5,313	\$ 5,313	\$ 5,313	\$ 15,939	\$ 5,313	\$ 21,252
Telephone & Internet	\$ 2,415	\$ 2,415	\$ 2,415	\$ 7,245	\$ 2,415	\$ 9,660
Computers	\$ 4,389	\$ 4,389	\$ 4,389	\$ 13,166	\$ 4,389	\$ 17,554
Insurance	\$ 3,057	\$ 3,057	\$ 3,057	\$ 9,170	\$ 3,057	\$ 12,226
Rent	\$ 28,500	\$ 28,500	\$ 28,500	\$ 85,500	\$ 28,500	\$ 114,000
Accounting/Banking Services	\$ 11,951	\$ 11,951	\$ 11,951	\$ 35,854	\$ 11,951	\$ 47,805
Meetings	\$ 1,540	\$ 1,540	\$ 1,540	\$ 4,620	\$ 1,540	\$ 6,160
Travel/Conferences/Professional Development	\$ 2,673	\$ 2,673	\$ 2,673	\$ 8,018	\$ 2,673	\$ 10,690
Memberships & Subscriptions	\$ 2,699	\$ 2,699	\$ 2,699	\$ 8,096	\$ 2,699	\$ 10,794
Program Support	\$ 8,400	\$ 96,300	\$ -	\$ 104,700	\$ -	\$ 104,700
TOTAL EXPENDITURES	\$ 1,508,473	\$ 767,489	\$ 284,777	\$ 2,560,740	\$ 149,673	\$ 2,710,413
% of Total	56%	28%	11%	94%	6%	
REVENUES OVER EXPENDITURES/Gap Fund						\$0
(1) This amount reflects a full contribution from the City equal to 1.1 mils of the value of the City's owned property in DVI's Downtown district (2) Non exempt property owners in expanded DVI's Downtown district pay 1.1 mils of their property's assessed value to DVI (both commercial & residential properties) (3) Includes contracts fee-for-service including General Services Administration (GSA) for federal courthouse and JTA for Skyway Ambassador services and other marketing work for DIA (4) Includes all others revenue such as grants, sponsorships and event revenue plus voluntary monetary contributions from exempt organizations such as JEA, First Baptist Church, JAX Chamber and Jesse Ball DuPont Fund. (5) Includes Clean & Safe Ambassador team, a supervising operations director, uniforms, supplies and equipment and includes 50% of the Director of District Services salary plus 25% of admin budget. (6) Includes salaries for Vice President of Marketing, Senior Director of Placemaking, Communications Manager and Events Manager. Includes 25% of the admin budget. (7) Includes salary for Public Realm Manager, 50% of Vice President of District Services, and 25% of admin budget. (8) Includes 25% of the admin budget. The admin budget includes the CEO, Business Administrator and Office Manager positions.						

Updated March 19, 2022

**Downtown Vision
FY 21/22 vs. FY 22/23**

Attachment 3

	Adopted FY21/22	Proposed FY22/23	Increase (Decrease)	Notes
REVENUES				
City of Jacksonville	\$ 661,898	\$ 657,284	(\$-4,614)	City contribution to Downtown Vision based on same 1.1 mils formula as private properties
Private Commercial Properties	\$ 1,668,943	\$ 1,659,690	(\$-9,253)	Slight decrease in assessed value of properties in the existing downtown district
Interest Income	\$ 2,100	\$ 600	(\$-1,500)	Decrease is due to lower interest rates
Contracted Services	\$ 77,251	\$ 116,935	\$39,684	Includes payments fee-for-service such as General Services Administration (GSA) for ambassador assistance around Federal Courthouse, JTA for Ambassadors at some Skyway stations, LifeBuilders Program hiring formerly homeless individuals to be Ambassadors and partnership with DIA for Downtown
Voluntary Contributions, Sponsorships, Etc.	\$ 103,985	\$ 275,904	\$171,919	Includes all others revenue, including grants, sponsorships, event revenue and voluntary contributions from exempt organizations like JEA, First Baptist Church, JaxChamber and Jesse Ball DuPont Fund. Increase is due to increased sponsorships and revenues from events like new Sip & Stroll
TOTAL REVENUES	\$ 2,514,177	\$ 2,710,413	\$196,236	
EXPENDITURES				
Salaries	\$ 599,576	\$ 697,970	\$98,394	Increase due to increased salary range for new positions
Employee Benefits	\$ 95,010	\$ 87,858	(\$-7,152)	Decrease due to reduced cost of health insurance and benefits with new employees
Payroll Taxes/Worker's Comp	\$ 64,219	\$ 74,771	\$10,552	Increase due to increases above
Total Salaries & Related Expenses	\$ 758,805	\$ 860,599	\$101,794	
Professional Fees & Contract Services	\$ 1,463,045	\$ 1,494,973	\$31,928	graphic design support, consulting, marketing support, printing reports, rack cards and marketing collateral.
Supplies, Printing & Postage	\$ 21,252	\$ 21,252	\$0	Includes office supplies, stationary, copier, water cooler, postage meter, postage, bulk mail, UPS, courier fees
Telephone & Internet	\$ 9,660	\$ 9,660	\$0	Includes phone lease, internet, local and long distance
Computers	\$ 16,804	\$ 17,554	\$750	Includes website management, software fees, email hosting and server maintenance
Insurance	\$ 11,836	\$ 12,226	\$390	Includes D&O, liability, property, theft and event insurance. Increase is due to increased coverage
Rent	\$ -	\$ 114,000	\$114,000	Annual debt service for financing of new headquarters fit-out
Accounting, Banking Services & Payroll	\$ 45,472	\$ 47,805	\$2,333	Includes audit, payroll expenses, licenses and bank fees
Meetings	\$ 6,160	\$ 6,160	\$0	Includes Board meetings, committee meetings, stakeholder meetings and board retreat
Travel/Conferences/Profess. Development	\$ 5,640	\$ 10,690	\$5,050	Includes conference expenses, lodging and travel expenses. Increase is due to increased travel compared to last year (limited travel because of COVID-19 pandemic)
Memberships & Subscriptions	\$ 9,720	\$ 10,794	\$1,074	International Downtown Association and subscriptions for local papers such as Jacksonville Business Journal
Program Support	\$ 165,783	\$ 104,700	(\$-61,083)	Items includes costs for events and promotions and for beautification initiatives. Decrease is due to increased use of 501(c)3 foundation for events + fundraising.
SUBTOTAL EXPENDITURES	\$ 2,514,177	\$ 2,710,413	\$196,236	
Contingency	\$ -	\$ -	\$0	
TOTAL EXPENDITURES	\$ 2,514,177	\$ 2,710,413	\$196,236	
Variance	\$ -	\$ -	\$0	

TAB IV.F
RESOLUTION 2022-04-11: 1001 KINGS AVENUE DPRP

RESOLUTION 2022-04-11

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) RECOMMENDING THAT THE CITY COUNCIL APPROVE A DOWNTOWN PRESERVATION AND REVITALIZATION PROGRAM FORGIVABLE LOAN PACKAGE FOR REHABILITATION OF THE BUILDING LOCATED AT 1001 KINGS AVENUE (THE “PROPERTY”) PURSUANT TO A REDEVELOPMENT AGREEMENT WITH ALE KINGS HOLDINGS, LLC OR ASSIGNS (“OWNER” OR “DEVELOPER”); FINDING THAT THE PLAN OF DEVELOPMENT IS CONSISTENT WITH THE DIA’S BUSINESS INVESTMENT AND DEVELOPMENT PLAN (“BID PLAN”) AND THE DOWNTOWN NORTHBANK COMMUNITY REDEVELOPMENT AREA PLAN (“CRA PLAN”); AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO EXECUTE THE CONTRACTS AND DOCUMENTS AND OTHERWISE TAKE ALL NECESSARY ACTION IN CONNECTION THEREWITH TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING AN EFFECTIVE DATE.

WHEREAS, ALE Kings Holdings, LLC is the owner of the Property and the building located on the Property which has been designated a local historic landmark by the Jacksonville City Council in Ordinance 1999-768 and is within the boundaries of the Downtown Southside CRA; and

WHEREAS, the Developer proposes to rehabilitate the Property to provide approximately 12,000 square feet of leasable space for commercial/retail use in the Southbank District of Downtown Jacksonville; and

WHEREAS, the increased private capital investment totaling approximately \$5,133,853 in real property will increase the county ad valorem tax base over the useful life of the assets, will add to the commercial/retail tenancy options in Downtown Jacksonville; and

WHEREAS, the Strategic Implementation Committee of the Downtown Investment Authority (“DIA”) met on April 14, 2022, to consider the recommendation of DPRP Program Forgivable Loans in accordance with the program guidelines established by City Council in accordance with the terms contained in the term sheet attached hereto as Exhibit A; 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 instructs the Chief Executive Officer of the Downtown Investment Authority to take all necessary actions, including the filing of legislation before the City Council, to seek DPRP funding of up to \$1,231,760 pursuant to the Downtown Historic Preservation and

Revitalization Program guidelines in accordance with the terms set forth on the term sheet attached hereto as Exhibit A.

Section 3. The Chief Executive Officer is hereby authorized to execute the contracts and documents and otherwise take all necessary action in connection therewith to effectuate the purposes of this Resolution.

Section 4. The Effective Date of this Resolution is the date upon execution of this Resolution by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

W. Braxton Gillam IV, Esq., Chairman

Date

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

Exhibit A:

**DOWNTOWN PRESERVATION AND REVITALIZATION PROGRAM
 TERM SHEET**

1001 Kings Avenue

Project: The project comprises the redevelopment of a three-story, 13,500 gross square foot historic property located at 1001 Kings Avenue (RE# 080088-0000) in the Southside District of Downtown Jacksonville owned by ALE Kings Holdings, LLC. The property is expected to be fully occupied by two tenants, England Trading Company, LLC operating a retail furniture store and doing business as “Industry West” occupying approximately 8,000 square feet on the first and second floors, and corporate offices for CL Breeze, LLC d/b/a Breeze Homes for the 3,905 square-foot third floor.

Because the property received a Certificate of Appropriateness from the City of Jacksonville Historic Preservation Commission for the exterior of the property only, the redevelopment efforts are not eligible for funding under the Historic Preservation, Restoration, and Rehabilitation Forgivable Loan (“HPRR”) components for interior restoration or interior rehabilitation.

City funding for redevelopment of this building (“Property”) is conditioned upon terms found in this Exhibit A to Resolution 2022-04-11. 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.

Owner / Applicant / Borrower:	ALE Kings Holdings, LLC
Total Development Costs (estimate):	\$5,133,853
Underwritten Development Costs Used for DPRP Calculations:	\$4,813,063
Equity (proposed):	\$705,303
	(13.7% of TDC unadjusted)
	(14.5% of TDC as underwritten)

City Funding: An amount determined to be \$1,231,760 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	\$257,200	\$728,200	\$246,360	\$1,231,760

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

To be eligible for funding, all work must be reviewed and approved by the Planning and Development Department for consistency with the United States Secretary of Interior Standards and applicable design guidelines during application processing and for verification upon completion and request for funding under terms defined further herein.

Budget. The construction budget reviewed and approved by the DIA in the total amount of TWO MILLION FIVE HUNDRED NINETEEN THOUSAND SIX HUNDRED FORTY-NINE DOLLARS AND ZERO CENTS (the “Total Budget Amount”), which includes Construction Costs to be incurred in each of the funding categories (each, a “Funding Category”) and in the minimum amounts (each a “Funding Category Minimum”) set forth in the table below:

Funding Category	Funding Category Minimum
Interior Rehabilitation	0
Interior Restoration	0
Exterior	257,225
Code Compliance	970,999
General Requirements/Other	321,405
N/A ¹	970,020
Total Budget Amount:	\$ 2,519,649

¹ The category “N/A” is not required to be met as a Funding Category Minimum for reimbursement of other categories under the DPRP. For further clarity, there will be no reimbursement for expenditures categorized as “N/A” in the construction budget.

Minimum Expenditures: In order to be eligible for the maximum amount of the DPRP Loan, the Owner must provide evidence and documentation prior to the applicable DPRP Loan closing, sufficient to demonstrate to the DIA in its sole but reasonable discretion, the following:

- (i) a total equity capital contribution of at least SEVEN HUNDRED FIVE THOUSAND THREE HUNDRED THREE DOLLARS AND ZERO CENTS (\$705,303) (the “Required Equity”);
- (ii) Total Development Costs incurred of FOUR MILLION EIGHT HUNDRED THIRTEEN THOUSAND SIXTY-THREE DOLLARS AND ZERO CENTS (\$4,813,063) which shall exclude Developer/Program Management Fee, FF&E, tenant improvements, and operating or finance reserves (the “Minimum Total Development Costs”);
- (iii) Total Construction Costs incurred of at least the Total Budget Amount (the “Minimum Total Construction Costs”), and

- (iv) Construction Costs incurred of at least the Funding Category Minimum with respect to each respective Funding Category.

Notwithstanding the foregoing, the required Minimum Total Development Costs of \$4,813,063 may be reduced by a maximum of ten percent (10%) overall, as determined by the DIA in its sole and absolute discretion, without affecting the Owner's eligibility for the approved DPRP Loans. Further, any Funding Category Minimum may be reduced by a maximum of ten percent (10%) on a stand-alone basis, as determined by the DIA in its sole and absolute discretion; provided that, in such event, there shall be a pro-rata reduction in any or each of the related DPRP Loans, as required.

DIA staff shall present to the DIA Board a request for approval of the reduced DPRP Loans consistent with the DPRP Guidelines. The DIA Board shall have the authority, without further action by City Council, to approve reduced DPRP Loan amounts provided the Total Development Costs incurred are not less than \$4,331,757 including Total Construction Costs incurred of not less than \$2,267,684.

Infrastructure: No City of Jacksonville infrastructure improvements are contemplated.

Land: No City of Jacksonville land is committed to the project.

Loans: No other loans, grants, or other funding are requested from the City of Jacksonville for this development activity

Performance Schedule:

- A) Redevelopment Agreement to be executed within thirty (30) days of the Bill Effective Date.
- B) Commencement of Construction: Within six (6) 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.
- C) Substantial Completion: Within eighteen (18) months following Commencement of Construction as defined above.
- D) 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:

- A) The Developer commits to the development of a minimum of 13,000 square feet of net leasable commercial/retail space for tenants.

- 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”) as may be required.
- C) Upon completion and request for funding, all work on the Properties 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 stand-alone, subordinate lien position on the Property behind any senior secured, third-party lender providing construction, mini-perm, or permanent financing, as long as such subordination does not alter the DIA approved maturity date of any DPRP Loan.
- E) Each DPRP loan will be cross defaulted with one another.
- F) 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.
- G) As the Borrower will be utilizing a combination of HPRR Forgivable Loans, and CCR Forgivable Loans, the maturity of each of these Forgivable Loans 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.
- H) Standard clawback provisions will apply such that:
 - a) In the event the Borrower sells, including without limitation a capital lease transaction, or otherwise transfers the Historic Building during the first five (5) years after the disbursement of the Forgivable Loans, the following shall be due and payable at closing of the Sale:
 - i. 100% if the Sale occurs within 12 months after disbursement of the Forgivable Loan;
 - ii. 80% if the Sale occurs after 12 months but within 24 months of disbursement of the Forgivable Loan;
 - iii. 60% if the Sale occurs after 24 months but within 36 months of disbursement of the Forgivable Loan;
 - iv. 40% if the Sale occurs after 36 months but within 48 months of disbursement of the Forgivable Loan; or
 - v. 20% if the Sale occurs after 48 months but within 60 months of disbursement of the Forgivable Loan.

- b) Changes in the proposed intended use of the property must continue to contribute towards the relevant Redevelopment Goals and Performance Measures of the DIA and shall be presented to the DIA for further approval not less than 90 days in advance of such changes, and such approval shall not be unreasonably withheld. In the event Borrower or any lessee or assignee of the Borrower uses the Project or the Historic Property or Properties for any use not contemplated by this Agreement at any time within five years following the disbursement of the Forgivable Loan or Loan without such approval, the full amount of the amounts awarded, together with all accrued but unpaid interest thereon, may be declared by the DIA to become due and payable by the Borrower.
- I) 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.
- J) The DPRP Deferred Principal Loan component requires fixed annual interest payments equal to the total principal outstanding multiplied by the prevailing Ten-Year Treasury Note Rate at the time established for closing.
- K) 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.
- L) DIA reserves the right to approve any sale, disposition of collateral property, or refinance of senior debt prior to the forgiveness or repayment of any DPRP Loan.
- M) 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.
- N) 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).

SUPPLEMENTAL INFORMATION

1001 KINGS AVENUE HISTORIC REHABILITATION

**Downtown Preservation and Revitalization Program
Staff Report for DIA SIC
April 14, 2022**

Applicant:	ALE Kings Holdings LLC Kendall England, Manager George Leone, Manager Christian Allen, Manager
Project:	1001 Kings Avenue
Program Request:	DPRP
Total Development Costs (as presented):	\$5,133,853
Total Development Cost (as underwritten):	\$4,813,063
DPRP Recommended:	
1) Historic Preservation Restoration and Rehabilitation Forgivable Loan (HPRR)	\$ 257,200
2) Code Compliance Renovations Forgivable Loan (CCR)	\$ 728,200
3) DPRP Deferred Principal Loan	\$ 246,360
	<u>\$1,231,760</u>

Property Description:

This project location is the original City Hall of South Jacksonville. The South Jacksonville community emerged after the American Civil War and was incorporated in 1907. It saw its greatest growth after the Acosta Bridge was completed in 1921, connecting the neighborhood to Downtown Jacksonville. This period included the construction of the original San Marco development, which eventually gave its name to the area.

The three-story masonry building at 1001 Kings Avenue was landmarked in 1999 (1999-768-E) having met three of the local designation criteria. National Register listing was pursued, but the Florida Division of Historical Resources found the building to be too altered and lacking enough physical integrity to qualify for individual listing. The rehabilitation work done in 1999-2001 included restoring some of the original openings guided in part by physical evidence but stopped short of restoring the first floor storefront openings with glazing, opting instead for the present grillwork and gates with actual entry doors hidden behind the vine-covered openings.

The building is located on a corner with three street frontages (Kings Avenue, Prudential Drive, and Onyx Street) and a parking lot to the side of it, making all aspects of the structure readily street visible, except for a portion of the south/parking lot side of the building that is screened by some trees. The images below in Figure 1 provide a perspective on the planned renovations for the building with a current view and the proposed redevelopment.

Figure 1: 1001 Kings Avenue As-Is and As Proposed (West Façade)



This currently vacant structure which was in a state of disrepair and lending itself to vagrancy is now expected to contribute to the commercial growth of the Southside District and will become the home of two locally grown businesses: Industry West (<https://www.industrywest.com/>) and Breeze Homes (<https://www.breeze-homes.com/>).

Industry West is a high-end furniture retailer established in 2011 specializing in “artisan-crafted furniture and decor, with an emphasis on high design.” The company was established in Jacksonville by Jordan England, Co-founder, and CEO, and his wife Anne England, co-founder and President of Social Responsibility). The firm sells its products online and through showrooms and the site at 1001 Kings Avenue will serve as its corporate headquarters and offices. Industry West is slated to occupy the first two floors, approximately 8,000 square feet.

Breeze Homes is “a local Jacksonville homebuilder that offers homebuyers a simpler, more cost-effective approach to homeownership.” Breeze Homes is affiliated with Corner Lot Development, the entity re-developing the subject property. Breeze Homes recently announces a proposal for developing a 32-acre parcel in St. Johns County to provide 52 single-family homes and 54 townhomes where at least 43 would be designated as workforce housing. Breeze Homes will maintain its corporate headquarters on the third floor and occupy approximately 3,900 square feet.

The Development Team:

Corner Lot Development (<https://www.cornerlotdevelopment.com/>)

Corner Lot Development Group (CLDG) was formed in 2017 and developed over \$15 million in commercial and SFR subdivisions in its first year. Currently, CLDG is a leader in the marketplace focused on developing lots allowing for affordably priced homes to continue to exist.

Andy Allen, CEO of Corner Lot Properties. Mr. Allen is a graduate of Jacksonville University where he majored in Finance and minored in Marketing. Allen started Corner Lot Properties in 2009 where he conducted commercial, multi-family, and land transactions and became the largest real estate wholesaler in Northeast Florida with over \$1 billion of real estate including acquisition, disposition, sales, and development. From 2011-2014, Allen's companies facilitated the largest Residential REIT, American

Homes 4 Rent, with its acquisition, rehab, and management of its Northeast Florida market. This spawned Heritage Holdings, his own residential portfolio of 1,100 SFR houses, in Northeast Florida which is one of the largest in Duval County.

George Leone, COO of Corner Lot Properties. Following graduation from Florida State University, Mr. Leone served thirteen years at Toll Brothers ending as the Vice President of Land Development. Leone oversaw development projects amounting in over \$500 million in Central and North Florida, South Carolina, and North Carolina where he managed over forty different consultants and contractors. In 2016, George started Leone Development to pursue his ambition of creating a leading real estate development company in the southeast United States. The culmination of Leone's experience led him to partner with Andy Allen in creating Corner Lot Development Group wherein its first year sold 220 lots to local and national builders.

Bold Line Design (Architect; <https://boldline.design/>)

Bold Line Design was founded in September 2020 in Jacksonville, Florida by three principal architects, John Braxtan, Matthew Snyder, and Bruce Werner. Each partner takes a hands-on approach to design, managing, and collaborating on each project from concept through construction completion. The firm lists among its capabilities: feasibility studies and due diligence, site planning and master planning, programming, architectural design, modeling and rendering, construction documents, and construction administration. Project types include multi-family, single-family, hospitality, retail, mixed-use, corporate office, senior independent living, assisted living and memory care, affordable housing, and student housing.

Opus Group – Alan Cottrell, Owner (General Contractor; <https://opus-build.com/>)

River City Contractors (RCC) presents itself as uniquely aligned to perform historic renovation work in many ways. RCC has completed renovations on a number of historic and downtown buildings including The Seminole Club (Sweet Pete's) in both 2014 and 2020, The Green Cove Springs/Clay County Courthouse (built 1899), Interlachen Town Hall (built 1892), the Brunswick Historic Courthouse (built 1907), and 211 Liberty Street N. Besides just historic construction, RCC has extensive experience in retail and restaurant renovations, including Coop 303, ABBQ, Candy Apple Café, and Hobnob. River City Contractors is also the general contractor for JWB at the Porterhouse project and the owner's rep for JWB for the Federal Reserve building and 218 Baptist Convention Center.

Historic Preservations Section Considerations:

The Planning and Development Department, Historic Preservation Section completed a Certificate of Appropriateness on the property in July 2021 after reviewing the plans for the modification and rehabilitation of the exterior of the property.

Conditions imposed in the COA require the following:

1. The storefront framing shall have a coated finish to look more like wood versus a modern storefront.
2. New glazing for storefronts shall be clear.
3. Reduce the signage size as needed so that it and any associated lighting will avoid the brick arches of the windows and the base of the central raised parapet. Final signage plan shall be submitted under a separate COA application when more details are available.
4. Minor changes to the design and architectural details (i.e. light patterns, column design, and masonry materials) can be administratively reviewed by the Historic Preservation Section of the Planning and Development Department.

5. Final plans in accordance with this Order, and product information shall be submitted to and approved by the Historic Preservation Section of the Planning and Development Department at least one week prior to permitting.

The Certificate of Appropriateness provided by HPS is consistent with the DPRP program guidelines, and adherence to its recommendations and findings is made a condition of approval of the subject request.

Because HPS did not conduct a review of plans for the work being done on the interior of the building, the project is not eligible for funding under the Interior Restoration or Interior Rehabilitation components of the Historic Preservation, Restoration, and Rehabilitation Forgivable Loan, but is eligible for funding under the Exterior component. It is also eligible for funding under the Code Compliance Renovations Forgivable Loan and the DPRP Deferred Principal Loan. A review of costs between DIA and HPS for appropriate category allocation was conducted in preparation of this Staff Report and the Ex A Term Sheet to Resolution 2022-04-11.

Market Analysis:

The site is ideally located for the location of each of the respective corporate offices. There will not be additional space made for lease for future tenants.

DPRP Request and Structure:

To facilitate the redevelopment of the property, ALE Kings Holdings requests approval of funding under the DPRP due to a funding gap in meeting the cost of construction and development. The funding gap is confirmed by analysis of pro forma cash flow, supportable debt, and return on equity investment by the developers and related investors.

Pro Forma Operations

- The lease rate established for each tenant is +/- \$21.60 per square foot, plus \$6.00 CAM. As noted elsewhere, leases to these two tenants leave no further space available for other tenants.
- As reflected in the Developer's pro forma, the property is expected to generate an Effective Gross Income of approximately \$331 thousand in its first full year of operation, increasing to \$357 thousand after a 10% escalator is required in year 6.
- Total operating expenses are estimated at approximately \$62 to \$76 thousand initially, reflecting an increase of 2.5% annually.
- Net Operating Income is estimated to be \$269 thousand in the first year of operations providing debt service coverage of 1.33X and a Yield on Cost of 5.6%. Over ten years, NOI improves to \$279 thousand providing debt service coverage of 1.38X and a Yield on Cost of 5.8%.

Capital Considerations

- Total development costs as presented equals \$4,813,063, or \$356.52 PSF for the acquisition costs and rehabilitation of the 13,500 square foot building.
- As found in the Sources and Uses for the development, the acquisition cost is shown to be \$2,250,000 and is supported by an appraisal from Moody Williams Appraisal Group, dated September 2021, providing a market value for the property of \$2,310,000 "As Is."

- The tax assessed value of the property in 2021 is \$543,730 after adjusting for a Cap Differential of \$191,870. Elimination of the Cap Diff provides a Just Market Value of \$735,600.
- Documentation was provided to show all property taxes are current through the 2021 billing.
- Minimum total equity to be injected is shown to be \$705 thousand or 14.7% of TDC, as underwritten.
- Senior debt on the development is estimated at \$2,876,000, or 59.8% of TDC. Modeled over 30 years at 5.0%, annual debt service is projected to equal an estimated \$202 thousand.

DPRP Recommended

Based upon the analysis of projected cash flows and development costs, the recommended DPRP is as follows:

	Historic Preservation, Restoration, and Rehabilitation Forgivable Loan (HPRR)	Code Compliance Forgivable Loan (CCR)	DPRP Deferred Principal Loan	TOTAL
TOTAL	\$257,200	\$728,200	\$246,360	\$1,231,760

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

Underwriting this application established the need for financial support from the City based on the extensive redevelopment costs for the buildings, deemed important to the preservation of Jacksonville’s historic building stock and consistent with the goals of the BID and CRA plan as well as the stated purpose of the Downtown Preservation and Revitalization Program.

DPRP funding limits based on equity contribution in relationship to Total Development Cost (“TDC”), and requirements for the DPRP Deferred Principal Loan are considered for each property individually and on a combined basis. Total equity of \$705,303 (14.7% of TDC) meets the minimum requirement of 10% and allows DPRP funding up to 40% of TDC. As such the DPRP Deferred Principal Loan is required to be established at a minimum of 20% of total DPRP funding, \$246,360.

DPRP Modeling Parameters – 1001 Kings Avenue

Total from Const Budget	\$2,519,649.00
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Sources		
Federal Historic Tax Credit		0.0%
HPRR Forgivable Loan	\$ 257,200	5.3%
CCR Forgivable Loan	\$ 728,200	15.1%
DPRP Def Prin Loan	\$ 246,360	5.1%
Other COJ Funding	\$ -	0.0%
1st Position Debt	\$ 2,876,000	59.8%
Owner Equity	\$ 705,303	14.7%
TOTAL SOURCES	\$ 4,813,063	74.4%

Uses		
Purchase Price	\$ 2,250,000	46.7%
A&E Costs	\$ 18,500	0.4%
Construction Costs	\$ 2,519,649	52.4%
Developer Fee	\$ -	0.0%
Soft Costs	\$ 24,914	0.5%
TOTAL USES	\$ 4,813,063	100.0%

Maximum Funding Level	\$ 1,925,225
DPRP Funding	\$ 1,231,760
ROI	1.26

Measurement	DPRP Guidelines		As Calculated
	% of TDC		Project
Developer Equity	10%	Min of TDC	14.7%
3rd Party Loan		No min or max	59.8%
Subsidy or Tax Credit		No min or max	0.0%
Developer Combined	60%	Min of TDC	74.4%
DPRP			
Exterior	75%	Max of eligible costs	
Restoration Int	75%	Max of eligible costs	
Rehabilitation Int	30%	Max of eligible costs	
Code Compliance	75%	Max of eligible costs	
Other	20%	Max of eligible costs	
HPRR Forgivable Loan	30%	Max of TDC	5.3%
CCR Forgivable Loan	30%	Max of TDC	15.1%
DPRP Def Prin Loan	20%	Max of TDC	5.1%
DPRP Def Prin Loan	20%	Min Must be ≥ 20% of Gap	20.00%
Other COJ Funding			0.0%
COJ Combined	40%	Max of TDC	25.6%

As shown above, developer equity in the 1001 Kings Avenue property equals 14.7% of TDC, whereas equity plus third-party debt exceeds the minimum requirement of 50% of TDC, at 74.4%. Redevelopment of the property is proposed to be supported by an HPRR Forgivable Loan of \$257,200, a CCR Forgivable Loan of \$728,200, and a DPRP Deferred Principal Loan of \$246,360. 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 in the absence of default.

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 modeling purposes, a rate of 2.50% is used providing interest payments of \$67,749 to the City annually.

Project ROI:

As shown by the model below, the project ROI on the City investment is 1.26X, which exceeds program requirements of 0.50X. The calculations are based on City benefits totaling \$1.5 million based on ad valorem over 20 years, \$1.0 million (not including 10 years of tax abatement on the incremental improvements for historic properties as that election was made in 1999 when the property was landmarked), and the interest income (10 years) and Present Value of the repayment on the Deferred Principal Loan, \$242 thousand.

\$4.8 Million in Capital Expenditures

Ad Valorem Taxes Generated			
County Operating Millage	(1)	\$	1,034,867
Local Option Sales Tax	(2)	\$	154,147
Payroll	(3)	\$	55,792
Add'l Benefits Provided	(4)	\$	242,398
Total City Expected Benefits		\$	1,554,953
Total City Investment	(5)	\$	1,231,760

Return on Investment Ratio	1.26
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(1) - The investment from the Company is estimated to be \$4.8 MM in Capital Contribution for development

(2) - Local Option Sales Tax is based on the revenue generated through retail sales 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	\$ 67,749
PV of DPRP Deferred Principal Repayment	\$ 174,649
Other	
Total Add'l Benefits Provided	\$ 242,398

(5) - City Incentives as follows:	
DPRP	\$ 1,231,760
Land	\$ -
Other	
Total Direct Incentives	\$ 1,231,760

Recommendation:

DIA Staff recommends approval of a the DPRP loans as outlined above.

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.

Minimum funding requirements and other terms and conditions for approval and administration of the subject facilities are captured in Exhibit A Term Sheet to Resolution 2022-04-11.

TAB IV.G
RESOLUTION 2022-04-12: UNION TERMINAL AUTHORIZATION

(To Be Provided Under Separate Cover)

TAB IV.H
RESOLUTION 2022-04-13: BID AND CRA RATIFICATION

RESOLUTION 2022-04-13

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”), AS THE COMMUNITY REDEVELOPMENT AGENCY FOR THE DOWNTOWN NORTHBANK COMMUNITY REDEVELOPMENT AREA AND THE SOUTHSIDE COMMUNITY REDEVELOPMENT AREA, APPROVING AND ADOPTING THE REVISED BUSINESS INVESTMENT AND DEVELOPMENT PLAN INCLUDING THE CRA PLAN AND BID STRATEGY ATTACHED HERETO AS EXHIBIT A; RATIFYING AND CONFIRMING THE REVISIONS MADE BY STAFF TO THE BID PLAN SINCE THE ADOPTION OF RESOLUTION 2022-02-08; AUTHORIZING THE CEO TO FILE LEGISLATION SUBSTANTIALLY IN THE FORM ATTACHED HERETO AS EXHIBIT B AND RECOMMENDING THAT CITY COUNCIL ADOPT SAID LEGISLATION; RECOMMENDING THAT CITY COUNCIL AMEND CHAPTER 656 OF THE JACKSONVILLE CODE OF ORDINANCES SUBSTANTIALLY IN THE FORM OF EXHIBIT C; AUTHORIZING ITS CHIEF EXECUTIVE OFFICER TO TAKE ALL NECESSARY ACTIONS TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, in February 2022, the DIA Board adopted Resolution 2022-02-08 approving the revised BID and CRA plan presented as of that date and authorizing the CEO to file legislation seeking its approval along with certain requested legislative changes identified in that resolution; and

WHEREAS, in March 2022, the DIA Board adopted Resolution 2022-03-03 directing the CEO to hire up to 5 additional staff members in order to efficiently and effectively carry out the mission of the DIA at an annual additional cost to DIA not to exceed \$500,000.00; and

WHEREAS, pursuant to Resolution 2022-04-05, the DIA Board directed the DIA to amend the FY 21-22 Northbank CRA budget to provide initial funding for a number of new incentive programs and projects, as well as to provide an additional supervision allocation to the DIA general fund budget sufficient to allow the DIA to immediately seek to fill two of the requested positions; and

WHEREAS, since February, DIA staff has been editing and revising the BID Plan to ensure internal consistency, to revise the Years Tables to reflect resources available to the Northbank CRA following the MPS Settlement, and to incorporate redevelopment projects contemplated by other plans adopted by the DIA since 2014 such as the LaVilla Heritage Trail called for in the LaVilla Neighborhood Strategy but inadvertently omitted from the February version of the plans presented to the Board; and

WHEREAS, the legislation attached hereto as Exhibit B not only incorporates the Ordinance Code changes recommended by Resolution 2022-02-08 but also includes the budget amendment recommended by Resolution 2022-04-05 and the addition of two staff position within the current fiscal year; and

WHEREAS, the DIA desires to ratify and approve the revisions made by staff to the BID Plan as attached as Exhibit A and to recommend adoption by City Council of legislation substantially in form of the ordinances attached hereto as Exhibits B and C.

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

Section 1. The recitals set forth above are true and correct and are hereby incorporated herein by this reference.

Section 2. The DIA instructs its Chief Executive Officer to forward the Downtown Northbank and Southside CRA Plans to the City’s Planning and Development Department for distribution to the local planning agency and, upon a finding of consistency with the Comprehensive Plan by the City’s local planning agency as required by §163.360(4), Florida Statutes, the DIA hereby adopts the updated and amended Business Investment and Development Plan included as Exhibit A.

Section 3. The DIA instructs its Chief Executive Officer to forward the Business Investment and Development Plan included as Exhibit A to the Jacksonville City Council, and to forward the Downtown Northbank and Southside CRA Plans to the St. Johns River Water Management District, the Duval County School Board, and the Florida Inland Navigation District as taxing authorities that level ad valorem taxes on taxable real property pursuant to §163.360(5), Florida Statutes.

Section 4. The DIA requests that City Council, as the governing body, hold a public hearing on the Business Investment and Development Plan, which is to include a public hearing on the Downtown Northbank and Southside CRA Plans in accordance with §163.360(6)(a), Florida Statutes.

Section 5. The DIA directs its CEO to file legislation substantially in the form of the two ordinances attached hereto as Exhibits B and C.

Section 6. The DIA recommends that the City Council adopt ordinances containing all material provisions of the legislation attached hereto as Exhibits B and C including the budget amendments described therein and the addition of two FTE this fiscal year.

Section 7. The DIA authorizes its staff to make scrivener and technical corrections and revisions to the CRA Plan and BID Strategy in order to ensure internal consistency of the various documents and sections thereof prior to filing with City Council.

Section 8. The DIA authorizes its Chief Executive Officer to take all necessary actions to effectuate the purposes of this resolution.

Section 9. This Resolution shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

W. Braxton Gillam IV, Esq., Chairman

Date

VOTE: In Favor: ____ Opposed: ____ Abstained: ____

RESOLUTION 2022-04-13

PAGE 3 OF 5

**BID PLAN TO BE INCLUDED AS EXHIBIT A OF EXECUTED
RESOLUTION 2022-04-13**

EXHIBIT B

Legislation to be provided by John Sawyer

Exhibit C
Legislation to be provided by Susan Grandin