



Downtown Investment Authority
Strategic Implementation Committee Meeting
Friday, July 12th, 2024
2:00 PM

Strategic Implementation Committee Meeting
MEETING MINUTES

Strategic Implementation Committee Members (CM) in Attendance:

Micah Heavener, Chair	Melinda Powers, Esq.
Carol Worsham (excused)	Scott Wohlers

DIA Board Members Participating: Jim Citrano and Sondra Fetner, Esq.

DIA Staff Present: Lori Boyer, Chief Executive Officer; Steve Kelley, Director of Downtown Real Estate and Development; Guy Parola, Director of Operations; Allan DeVault, Project Manager; Susan Kelly, Redevelopment Coordinator; and Ava Hill, Administrative Assistant

Office of General Counsel: Joelle Dillard, Esq.

Council Members Present: None

I. CALL TO ORDER

The Strategic Implementation Committee Meeting was called to order at 2:00 p.m. by Micah Heavener, Committee Chair. This was followed by introductions.

II. PUBLIC COMMENTS

None

III. FORM 8B: VOTING CONFLICT DISCLOSURES

None

IV. JUNE 14TH, 2024, STRATEGIC IMPLEMENTATION COMMITTEE MEETING MINUTES APPROVAL

Committee Chair Heavener called for a motion on the June 14th, 2024, Strategic Implementation Committee Meeting Minutes as presented.

Motion: Committee Member Wohlers moved to approve the meeting minutes.

Second: Committee Member Powers seconded the motion.

Committee Chair Heavener called for a vote.

Vote: Aye: 3 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 3-0-0

Committee Chair Heavener mentioned that an item needed to be added to the agenda and then gave the floor to DIA staff to present that item.

V. RESOLUTION 2024-07-05 RELATED ALLOCATION

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) ALLOCATING UP TO FOUR HUNDRED (400) MULTI-FAMILY UNITS AND UP TO FIVE THOUSAND (8,000) SQUARE FEET OF RETAIL / RESTAURANT DEVELOPMENT RIGHTS TO RD RIVER CITY BREWERY, LLC, OR AN AFFILIATED ENTITY (“DEVELOPER”) FOR USE ON CERTAIN PROPERTY IDENTIFIED BY DUVAL COUNTY TAX PARCEL NUMBER 080270 1100 (“PROPERTY”); AUTHORIZING THE DIA CHIEF EXECUTIVE OFFICER THE OPTION OF (A) ASSIGNING MOBILITY FEE CREDITS FOR THE MOBILITY FEE OBLIGATION AS DETERMINED BY THE CONCURRENCY MANAGEMENT SYSTEMS OFFICE, PROVIDING SUCH ASSIGNMENT IS IN ACCORDANCE WITH THE DIA MOBILITY FEE CREDIT INCENTIVE CONTAINED IN THE BUSINESS INVESTMENT & DEVELOPMENT STRATEGY UPDATE, OR (B) AUTHORIZING THE DEVELOPER TO PAY THE MOBILITY FEE OBLIGATION; 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.

After explaining the Board’s role as the Master Developer of Downtown the \$32 million Mobility Agreement between the Board and the City and the credit system, Mr. Guy Parola explained that the resolution is asking for up to 400 units of residential and up to 8,000 square feet of restaurant space. The resolution also asked for the use of mobility fee credits.

CEO Boyer added that new development has a traffic impact in the city, which means you must build new roads or spend new money. She then explained the details of the credit system.

Committee Chair Heavener asked if the amount allocated is going to be enough.

CEO Boyer responded that the \$39 million should last a long time, but if someone developed beyond that DIA can’t give them credit and they’d have to pay into the mobility system if additional rights are needed.

Committee Chair Heavener called for a motion on the resolution as presented.

Motion: Committee Member Wohlers moved to approve the resolution.
Seconded: Committee Member Powers seconded the motion.

Committee Chair Heavener opened the floor for discussion.

Committee Member Powers asked for clarity on the overall number versus the number being allocated. Mr. Parola advised that he got his numbers from the redevelopment agreement and the allocation will be dependent on the developer's internal capture. Committee Member Powers asked if there was a total number to allocate. Mr. Parola mentioned the following is available for allocation:

- 4.4 million square feet of retail
- 20 million square feet of office space
- 1 million square feet of industrial space
- 2 million government
- 11,000 residential units
- 18,000 attraction seats
- 1,300 hotel rooms

Board Chair Citrano asked what the comparable incentive or development rights to the mobility credits were before the DRI was discontinued. CEO Boyer explained that the development rights were very similar, they were divided into phases, but had nothing to do with mobility credits. She then shared the details.

Committee Chair Heaver asked if there were any consequences they needed to be made aware of. CEO Boyer responded no and then explained.

Mr. Steve Kelley pointed out a scrivener's error in the 3rd whereas of the resolution.

Committee Chair Heavener called for a vote on the resolution.

Vote: Aye: 3 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 3-0-0

VI. RESOLUTION 2024-07-01 REGIONS DPRP FINAL DRAW

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) ACTING AS THE ECONOMIC DEVELOPMENT AGENCY FOR DOWNTOWN JACKSONVILLE (“GRANTOR”) APPROVING THE AWARD OF A DPRP LOAN TO REGIONS BANK (“GRANTEE”); 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 (“BID PLAN”) AND PROVIDING AN EFFECTIVE DATE.

After explaining the background, Mr. Steve Kelley explained that the resolution is for the final phase of construction. He described the development activities to date and the activities expected in the next phase. Mr. Kelley concluded his presentation by discussing the construction costs and the breakdown of the remaining commitment balance. Mr. Kelley pointed out an error in the resolution numbers and advised it would be corrected.

Committee Chair Heavener asked if the numbers in the resolution matched the numbers in the staff report. CEO Boyer advised that the Exhibit in the term sheet of the resolution needed to be amended to match the staff report.

Committee Chair Heavener called for a motion and second to on the resolution.

Motion: Committee Member Wohlers moved to approve the resolution as presented.

Seconded: Committee Member Powers seconded the motion.

Motion: Committee Member Wohlers moved to amend Exhibit A of the resolution so that the numbers match the numbers in the staff report.

Seconded: Committee Member Powers seconded the motion.

Committee Chair Heavener called for a vote on the amendment to the resolution.

Vote: Aye: 3 Nay: 0 Abstain: 0

Committee Chair Heavener opened the floor for discussion.

Committee Member Wohlers mentioned that he was a former employee of Regions and remembered the project coming down the pipeline. He expressed that he was excited to see the project coming to fruition.

Committee Member Powers mentioned that she was also excited to see the project.

Committee Chair Heavener called for a vote on the amended resolution.

Vote: Aye: 3 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 3-0-0

CEO Boyer reminded everyone that this resolution would not be on the consent agenda.

VII. RESOLUTION 2024-07-02 TRIO

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) DIRECTING ITS CEO TO TAKE ALL NECESSARY ACTIONS TO FORMALLY TERMINATE THE DECEMBER 13, 2021, REDEVELOPMENT AGREEMENT (“RDA”) BETWEEN THE CITY OF JACKSONVILLE (“CITY”), DIA AND LAURA TRIO, LLC. (“DEVELOPER”) REGARDING RESTORATION OF THE THREE BUILDINGS COLLECTIVELY REFERRED TO AS THE “LAURA TRIO” AND ASSOCIATED NEW CONSTRUCTION FOR A HOTEL ON THE CORNER OF LAURA AND ADAMS; FINDING THAT THE DEVELOPER HAS FAILED TO MEET THE PERFORMANCE SCHEDULE UNDER THE RDA, SUBSEQUENTLY CHANGED THE PROJECT DESIGN AND SCOPE, AND ON MULTIPLE OCCASIONS PRESENTED REQUESTS TO DIA AND THE CITY FOR DIFFERENT INCENTIVE PACKAGES FROM THAT APPROVED IN THE AGREEMENT INDICATING THE DEVELOPER’S INABILITY TO PERFORM UNDER THE AGREEMENT TERMS; AUTHORIZING THE CHIEF EXECUTIVE TO OTHERWISE TAKE ALL NECESSARY ACTION IN CONNECTION HERewith TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING AN EFFECTIVE DATE.

CEO Lori Boyer explained that the resolution came out of the previous board meeting and directs the CEO to take all necessary action to terminate the 2021 agreement. She then explained the details.

Committee Chair Heavener called for a motion and second to on the resolution.

Motion: Committee Member Powers moved to approve the resolution.
Seconded: Committee Member Wohlers seconded the motion.

Committee Chair Heavener opened the floor for discussion.

Committee Member Fetner explained her reasoning for recommending the resolution to terminate the 2021 agreement.

Committee Member Wohlers asked DIA to clarify that this resolution is not ending negotiations, just what was agreed to in 2021. CEO Boyer confirmed. She continued that the resolution is saying that the signed contract no longer represents what was discussed.

Board Chair Citrano asked if the applicant was in default of the agreement. CEO Boyer responded yes but explained that the process for that is a declaration of default and a right for them to cure.

Committee Chair Heavener wanted to clarify that this was a mutual agreement between the City and the developer that hasn’t been fulfilled. CEO Boyer’s response was that he was correct.

Seeing no further discussion, Committee Chair Heavener called for a vote.

Vote: Aye: 3 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 3-0-0

VIII. RESOLUTION 2024-07-03 10 S NEWNAN FAÇADE

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) ACTING AS THE COMBINED NORTHBANK COMMUNITY DEVELOPMENT AGENCY (“GRANTOR”) APPROVING THE AWARD OF DIA STOREFRONT FAÇADE GRANT AGREEMENT TO SOUTH OF BAY STREET, LLC (“APPLICANT OR GRANTEE”); AUTHORIZING THE CEO OF THE DIA TO NEGOTIATE A GRANT AGREEMENT; AUTHORIZING THE DIA CEO TO EXECUTE SUCH AGREEMENT; AND FINDING THAT THE DEVELOPMENT PLAN IS CONSISTENT WITH THE DIA’S BUSINESS INVESTMENT AND DEVELOPMENT PLAN (“BID PLAN”) AND PROVIDING AN EFFECTIVE DATE.

Mr. Allan DeVault explained that the resolution is a façade grant and that it is somewhat self-performed by the owner. He gave an overview of the building’s history and owner, its location, and existing tenants. Mr. DeVault discussed previous renovations, the desired façade development, how the owner will act as the contractor with subcontractors, and the total funding.

Committee Chair Heavener called for a motion and second to on the resolution.

Motion: Committee Member Powers moved to approve the resolution.
Seconded: Committee Member Wohlers seconded the motion.

Committee Chair Heavener opened the floor for discussion.

Board Chair Citrano gave Mr. DeVault kudos for doing a good job.

Committee Chair Heavener asked, concerning the proposals, if there were already existing estimates from the contractors to get the numbers that are presented. Mr. DeVault’s response was yes and that the contractors bring the total budget to DIA. Mr. Steve Kelley added that it’s not a requirement of the program guidelines.

Committee Chair Heavener called for a vote.

Vote: Aye: 3 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 3-0-0

Committee Chair Heavener gave the floor to DIA to discuss the placeholder item.

CEO Boyer mentioned that she felt they had a robust workshop with a lot of discussion on budget and allocation of resources. She clarified that DIA did not say that the special committee was doing more harm than good, and DIA did not blame the committee for delaying development. She explained what was discussed and what DIA's focus will be moving forward. She advised that DIA would be having another workshop at the end of July to discuss property disposition of riverfront parcels.

Committee Chair Heavener shared how it's been very enlightening for him to have those extra conversations.

Committee Member Wohlers mentioned that he also feels the workshops are very positive and beneficial to see what's being worked on and what has been accomplished.

Committee Member Powers expressed that she was happy to be talking about maintenance and aesthetics and how she was also glad to hear the discussion about focusing on the core.

IX. ADJOURNMENT

Seeing no further discussion, Committee Chair Heavener adjourned the meeting at 2:43 pm.

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 Ava Hill at avah@coj.net to acquire a recording of the meeting.