Commercial Revitalization Program (CRP Parking G~~g~~rant)

The Commercial Revitalization Program provides grant funds to tenants for new ~~(first-time leases of the subject space)~~ leases involving existing office space in Downtown Jacksonville (e.g., the tenant's first-time lease of the subject space). The grant funds are intended to partially offset the costs of Downtown parking and make the Downtown market competitive with suburban office space. Eventually, the desirability and vibrancy of a Downtown location will outweigh the cost advantage of suburban locations but in the short term, the cost of parking is a deterrent to prospective Downtown tenants. For the purposes of the CRP:

- Existing office space shall mean space that has appeared on the tax rolls as a completed structure for no less than 5 years prior to seeking CRP funds. New construction and/or never occupied shell space shall not be eligible for CRP funds.
  - Storefront/ground-floor office must include a minimum of 1,000 square feet and shall not be located within the boundary of the Core Retail Enhancement Areas.
  - Upper-story/non-ground-floor office space in the subject building must include a minimum of 5,000 square feet and be located in a building with at least 20% vacancy (vacancy shall mean space not producing rent) at time of application.
  - Any office space located within a building that has been below 40% occupancy (occupancy shall mean space producing rent) for a period of 24-consecutive months shall be ineligible for CRP funds. Notwithstanding the foregoing, upon an arm's length change of ownership and material investment in capital improvements to the building by the new owner, the time frame for measurement of occupancy shall reset as of the change of ownership.
- Leases shall not include sublet and/or license agreements
- Expansion space shall be eligible as a new first-time lease of that space.
- Not available to businesses that relocate from one location in Downtown Jacksonville to another.
- Any tenant seeking grant funds under this program must commit to maintaining an employment ratio of 2 employees (which may include owners/principals) per 1,000 square feet of leased space. Only employees that occupy the leased space for an average of 32 hours per week may be counted towards maintaining the required employment ratio.
- Current parking rates are approximately $90/mo/space depending on location. This offset parking grant offers a 50% discount off the average rate for a three year lease increasing to 66% discount for a lease of 10 years or longer.

For new leases of at least a 3-year term:
New leases for a term of at least 3-years are eligible for a parking offset ~~base~~ grant award per 1,000 square foot of office space leased as indicated in the table below. The offset is calculated assuming 2 employees per 1,000 square feet leased, and proof of on-site employees meeting this minimum standard will be required annually to qualify for grant payments. Grant awards are calculated at the time a new lease is executed based on the square feet leased and this program is capped at leases of 50,000 square feet or an equivalent of 100 employee parking spaces. Lease incentives for space greater than 50,000 square feet will be considered on an induvial basis dependent on funds available. ~~Base~~ G~~g~~rant awards shall be paid ~~incrementally~~ divided by the term of the lease and paid on an annual basis ~~over the term of the lease~~ within three months following the lease anniversary date and submission and approval of the annual compliance certificate. Should a tenant fail to maintain compliance with the employment ratio requirement identified above, the DIA may withhold the ~~base~~ grant award for any such year and/or discontinue ~~base~~ grant award.

~~To be eligible, lease rates must be determined to be consistent with rates charged for similar space within such property and also materially consistent with market rents charged in similar buildings in Downtown Jacksonville.~~

~~Improvement Bonuses:~~
~~New leases for a term of 4-years or more are eligible for an improvement bonus as an addition to the base grant award up to the maximum possible grant amount indicated in the table below. Improvement bonuses~~

~~shall be paid at time of completion. Any improvement bonuses shall be awarded as a match to leasehold improvement expenditure costs incurred by the tenant up to the maximum improvement bonus indicated in the table below based on the term of the lease. *Tenant space incorporating WELL Building Standards shall receive an additional $0.50 per square foot for all documented WELL qualified Tenant improvement Expenditures.~~

Lease Term (Years)	**Parking offset per space assuming 2 employees/parking spaces for every 1000 square feet)**	**~~Base~~ Grant Award (Per SF equivalent)**
3	$40.00/mo	$2.88~~50~~
4-5	$45.00/mo	$5.4~~0~~0
6-7	$50.00/mo.	$8.4~~7.0~~0
8-9	$55.00/mo	$11.88~~0.00~~
10+	$60.00/mo	$14.400~~5.00~~

Tenant must not have accessed CRP previously for any space, except that, if tenant expands into new space and continues to occupy space for which CRP was accessed, tenant can receive benefits on the additional expansion space which will be considered as new lease space.

An Application must be filed with the DIA before the new lease is signed. ~~Evidence of leasehold improvement expenditures must be submitted to the DIA within 60 days of rent commencement.~~

As an added welcome bonus, the DIA will provide a $100 gift card good at numerous downtown eateries for each employee (based on the expected ratio of 2 employees per 1,000 square feet leased).

Each recipient of a Commercial Revitalization Program (CRP Parking Grant) must agree to promote Downtown activities and events organized by the City to its employees using electronic or static bulletin boards, newsletters, emails, and/or other standardized methods of internal communication.

Example:
A technology development firm signs a 5-year lease for a 50,000 SF existing office space in Downtown Jacksonville. It is assumed that they will maintain at least 100 employees on site generating a parking offset grant of $45/mo times 12 months times100 employee spaces times 5 years or $270,000. ~~They indicate that they will be spending $500,000 to build out the space for their operation.~~ The tenant~~property management firm~~ would be eligible for total grant award of $270,000 or the equivalent of $5.40~~7.00~~/SF ~~which is equal to $350,000, this is based on the following award(s):~~
~~The Base Grant Award of $5.00/SF: $250,000 (paid over the 5-year lease term in annual installments of $50,000);~~
~~An improvement bonus of $2.00/SF: $100,000~~

COVID Recovery Renewal Lease Grant
Recognizing the unique impacts of the COVID pandemic on commercial occupancy, and the importance of retaining our existing workforce in Downtown, for the period from January 1, 2022 through September 30, 2023, the Commercial Revitalization Program will be available for lease renewals for existing tenants who have not otherwise participated in the CRP program and who enter into qualified renewal leases of a least

three (3) years in length for equal or greater amounts of leased space within Downtown. The ~~Base~~ Grant Award for such renewal leases will be 50% of the applicable grant~~Base~~ Amounts for new to Downtown tenants~~. No Tenant Improvement bonus will be available for renewal leases, except the $0.50 per square foot for WELL improvements.~~

DIA Incentive
Retail Enhancement Programs

The DIA will annually evaluate the Program to refine these guidelines.

I. PURPOSE AND BENEFIT OF RETAIL PROGRAMS

The Downtown Investment Authority (DIA) is a community redevelopment agency for the Downtown Community Redevelopment Areas established by the City of Jacksonville ("City"). The DIA was formed to revitalize and preserve downtown property values and prevent deterioration in the downtown business district. The DIA supports the City's downtown revitalization objectives, and through community workshops and input from numerous stakeholders, has determined that retail and restaurant recruitment and art galleries and entertainment themed businesses are beneficial throughout the Downtown area, and a priority within the area shown on the map attached hereto (the "Core Retail Enhancement Areas").

Further, within the Core Retail Enhancement Areas, two Targeted Food and Beverage Districts have been established ("FABREP Districts") to create compact, safe, and walkable dining districts. Sidewalk Enhancement Grants are also authorized within the FAB REP Districts. Finally, the importance of waterfront restaurants to activation of the riverfront and Downtown in general cannot be overstated and the entire Northbank and Southbank riverfronts within the boundaries of Downtown as well as the banks of Hogans and McCoys Creeks, qualify as a "Waterfront Restaurant Zone" as defined below, and are eligible for waterfront restaurant incentives..~~Outside the boundaries of the Core Retail Enhancement Areas, it is nevertheless recognized that street front retail is important to urban vibrancy.~~

Collectively, these geographies are referred to as the Retail Program Areas and ~~three~~ four distinct incentive programs have been established under the Retail Enhancement Grant umbrella specific to each of these areas.

II. FUNDING SOURCES

All Retail Enhancement programs will be~~are~~ structured as grants with clawbacks subject to maintaining performance requirements during a defined compliance period but are often referred to as Forgivable Loans.~~.~~ To streamline documentation, DIA has chosen to eliminate Loan agreements and recorded security instruments in favor of grant agreements with applicable clawback language. All eligible properties are located within the boundaries of either the Northbank or Southside CRA (the "Retail Program Areas"). As such, individual awards will be funded from the Retail Enhancement Program funding of the applicable CRA or from the available Forgivable Loan ~~Grant~~ or Retail Enhancement Program funding within the Downtown Economic Development Fund.

The DIA will allocate funds on an as needed basis to provide recoverable grants to any property or business owner with qualified projects to assist with paying some of the costs associated with renovating or preparing commercial space for retail, salon, restaurant, gallery or other similar use for occupancy as identified more completely elsewhere in these guidelines.

III. GENERAL REQUIREMENTS APPLICABLE TO ALL RETAIL PROGRAMS

- Retail tenants for these purposes are identified as: 1) businesses that sell products on a transactional basis to end consumers; 2) food and beverage establishments; or 3) providers of services targeted towards the general public (other than health care, legal, or financial advisory).

- Businesses operating exclusively or primarily on a membership or appointment basis and not welcoming walk-in customers, or providing goods and services targeted principally to other businesses, shall not generally meet this definition, unless approved on a case-by-case basis.
- Business eligibility for may be further limited as outlined in each program guidelines found below.
- The project must be consistent with the Downtown Master Plan and the Downtown Zoning Overlay. ~~Zone.~~
- Locations should be ground floor, street facing, (or river facing in the case of waterfront restaurants) and designed to attract the general public except in the case of second floor restaurants directly accessible from street which may qualify.
- All rehabilitation work and design features must comply with all applicable city codes, ordinances, the established Downtown Development~~esign~~ Review Board Guidelines and~~, the Downtown Master Plan and~~ the Downtown Zoning~~Overlay Zone~~ Overlay.
- Work must follow plans and specifications submitted to DIA as part of the program application.
- Work must be completed within the time frame established by the DIA for each project.
- All applicable licenses and permits must be obtained, including all permits required by the City of Jacksonville's Planning Department, Development Services Division.
- ~~All loan closing costs (e.g., recording fees and documentary stamp taxes) shall be included in the Grant amount awarded~~
- All costs of enforcement of any clawback shall be the responsibility of the applicant.
- Sales reporting shall be a condition of receiving any Retail Enhancement Programs incentive other than the Stand-alone Sidewalk Enhancement Grant.

IV. PROGRAM PARAMETERS APPLICABLE TO ALL RETAIL PROGRAMS

Funds may be used to retain and improve existing businesses or to recruit new businesses in the geographic areas identified in each Retail Enhancement Program. The following identifies specific goals for the Program:

- Expand the local property tax base by stimulating new investment in older, Downtown properties;
- Expand state and local sales tax base by increasing sales for new or existing shops; and
- Attract new and retain existing business to/in Downtown by decreasing renovation costs incurred for modernizing retail space in older, commercial properties in the Retail Program Areas.
- Establish new retail businesses in new properties deemed to be making significant contributions to growth within an identified area of importance within the Retail Program Areas.

To advance recruitment and marketability, the recoverable grant ("Grant") provides an incentive to improve the interior appearance and functionality and the utility of street level storefronts for the purpose of attracting retail and restaurant owners/investors and to draw more commercial activity to the Downtown area.

a. Desired Retail Businesses for the Retail Program ~~Enhancement~~ Areas

The following is a list of desired retail and other businesses in the Retail Program ~~Enhancement~~ Areas. The list below is not all-inclusive but serves as a guide only:

Apparel stores including accessories (purses, scarves, hats)	Specialty retail apparel such as bridal, formal gown, tuxedo, costume.
Toy stores	Hobby stores, craft store and supplies
Art supplies, framing stores	Pet stores and supplies
Specialty food stores/delicatessens	Restaurants
Coffee/Tea shops	Gift Stores

Commented [BL1]: Do we need to add bars and entertainment venues to this table

Book stores	Stationery stores
Kitchen/home accessories	Small appliances
Electronics	Sporting goods
Entertainment venues	Jewelry stores
Florists	Shoe stores
Art Galleries	Office supply stores
Pharmacies	Grocery/Butcher/Fresh seafood/Produce market

b. Program Funding Uses

- Remodeling, renovation, rehabilitation, installation, and additions to the interior and exterior of an existing ~~the~~ commercial building are eligible for Grant funds. Grant funds shall be used to modify and improve buildings and shall not be used for normal maintenance or repair~~.~~
- The ground floor of mixed-use projects improving multiple floors can qualify for funds; provided the ground floor will be used for retail and only renovations to the ground floor are part of the eligible renovation or build out scope.
- Generally, renovation projects must exceed $50,000 before DIA will consider the project for grant funding.
- Grantee must remain in the location for three (3) years and must create or retain two (2) or more full-time equivalent jobs (which may include the owner operator) during the term of the agreement for a minimum of thirty-two (32)operating hours per week during which the doors must be open at all times.
- Existing retailers who need to modernize the location or business owners at the end of their lease term who are considering moving from Downtown can qualify for grant funds.
- Applicants proposing to use Grant funds to help relocate from one Downtown building to another are not eligible to receive Grant funds unless the proposed move is necessary for business expansion that includes job creation, involuntary displacement from current space that is unrelated to financial or operating disputes, or similar circumstances.
- Applicants proposing to construct new buildings are not eligible under this program, unless expressly identified otherwise elsewhere within these guidelines. . New construction of a mixed-use building or stand-alone restaurant qualifies pursuant to the Waterfront Restaurant Program in the Waterfront Restaurant Zone.
- Other non-eligible projects include adult entertainment venues, single-serving package stores, business-to-business companies, non-profit and government agencies.
- Eligible Grant expenditures include (among others as may be determined in underwriting):
  - Interior demolition or site preparation costs as part of a comprehensive renovation project.
  - Permanent building improvements, which are likely to have universal functionality. Items including but not necessarily limited to demising walls, exterior lighting, code compliant restrooms, electrical wiring to the panel, HVAC systems.
  - Improvements to meet Fire and Life Safety codes and/or Americans with Disabilities Act requirements.
  - Exterior improvements including signs, painting, or other improvements to the outside of a building.
  - Sanitary sewer improvements.
  - Grease traps.
  - Elevator Installation which services the retail.
- Ineligible Grant expenditures include (among others as may be determined in underwriting):
  - Temporary or movable cubicles or partitions to subdivide space.
  - Office equipment including computers, telephones, copy machines, and other similar items.

- Renovating space on a speculative basis to help attract new tenants. (Note: This provision can be waived pursuant to the recommendation of the REPD committee and approval by the DIA Board).
- Moving expenses.
- Working capital.

c. General Retail Enhancement Grant Requirements

Applicants will be required to execute a grant agreement and other security documents, including personal guarantees, as may be deemed necessary.

The Grants shall be recoverable and amortized over a period of three (3) years. The principal amount of the Grant will fully amortize over a period of three (3) years at a rate of 33.33 percent each year. If the grantee does not default on the Grant terms during the required three(3) year period, the Grant will be closed on the third anniversary date.

V. APPLICATION REQUIREMENTS APPLICABLE TO ALL RETAIL PROGRAMS

A completed application signed by the applicant(s) must be provided to DIA Staff and will serve as the basis for the staff report to be presented to the Retail Enhancement and Property Disposition Committee ("REPD") of the DIA Board. With the application, each applicant must provide the following, unless stated otherwise elsewhere in these guidelines:

a. Evidence that the applicant is prepared to do business by including with the application the following required items:
   - Business Plan to include:
     - Concept and target market
     - Advertising/marketing plan
     - Source of cash/start-up capital
     - Summary of management team's skills and experience related to the proposed business
     - Number of job positions created (will require a commitment to be maintained through the compliance period)
     - Days and hours of operation (will require a commitment to be maintained through the compliance period)
   - Three-year operating pro-forma and cash flow analysis
   - Design for the storefront and interior
   - Plan for merchandising (inventory levels, brands)

b. A detailed written description and scaled elevation drawing depicting the size, dimension, and location of the improvements and modifications, with samples when applicable.

c. A legally valid and binding new lease for a period of at least three years with use restricted to an allowable retail use. The lease may be fully negotiated, but not yet executed, but the executed form of the lease will be a requirement of funding.

d. A fully negotiated agreement and construction budget with a licensed and qualified contractor.

e. If the tenant is paying for the improvements, the lease must provide for a minimum of free rent, discounted rent, or equivalent thereof in lieu of the property owner having to share the cost of the improvements.

f. Unless the property owner is the applicant, a notarized statement from the property owner authorizing the construction and improvements.

g. If the property owner is the applicant, a copy of the property tax bill or deed to confirm ownership of the property.

VI. PROJECT EVALUATION CRITERIA APPLICABLE TO ALL RETAIL PROGRAMS

The primary criteria for approval for any retail incentive will be the feasibility of the business plan. A successful business plan will be the one that conveys the most promising combination of relevant experience, financial feasibility, product and market research, growth potential and job creation.

The Project Evaluation Criteria and allocated points are listed below:

a. Business Plan (see point breakdown below) – (up to 40 points)
   i. Plan shows good short-term profit potential and contains realistic financial projections (up to 10 points)
   ii. Plan shows how the business will target a clearly defined market and its competitive edge (up to 5 points)
   iii. Plan shows that the management team has the skills and experience to make the business successful (up to 10 points)
   iv. Plan shows that the entrepreneur has made or will make a personal (equity) investment in the business venture (up to 10 points)
   v. Number of FTE job positions created in excess of the required two (2) positions (up to 5 points)
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)
c. Expansion of the state and local sales tax base by increasing sales for new or existing shops (up to 5 points)

Minimum score of 30 points out of 55 points possible is required to have the proposed project referred to the REPD Committee for funding consideration.

VII. REVIEW AND AWARD PROCEDURE APPLICABLE TO ALL RETAIL PROGRAMS

All completed applications will be reviewed by DIA Staff and if a project is determined to be eligible, presented to the REPD Committee of the DIA Board. The REPD Committee will make recommendations based on the DIA staff's evaluation of the project prepared utilizing the Project Evaluation Criteria below. A minimum score of thirty (30) points must be obtained by the applicant in staff review in order to be eligible for presentation to the REPD Committee. Recommendations of the REPD Committee will be considered at the next regularly scheduled monthly meeting of the DIA Board for approval or denial of the application. Notification of Grant funding approval or denial will be sent to the applicant by the DIA staff within two business days following the DIA Board Meeting.

Applicants will be encouraged during the Grant review process to reuse, rehabilitate or restore historic architectural elements to retain the charm and character of older buildings and incorporate design principles sensitive to neighboring building structures.

1. Applicant shall complete and submit application form with all required supporting documents to the DIA staff. Processing of the application will not commence until the application is deemed complete.
2. DIA staff schedules a meeting with applicant to review the project.
3. DIA staff will review the project and provide comments to the applicant relating to any application requirement deficiencies.
4. If the application requirements have been met, the DIA staff will evaluate the project utilizing the Project Evaluation Criteria and present a staff report summarizing the application, business plan, project budget, and recommended Grant amount to the REPD Committee for review and approval.

5. If the application and Grant amount is approved by the REPD Committee, resolution, term sheet, and staff report will move forward for consideration at the next regularly scheduled DIA Board meeting.
6. DIA Board approves, modifies, or rejects the recommendation of the REPD Committee. If approved or modified, DIA staff is directed to work with the Office of General Counsel to prepare a grant agreement, utilizing the form approved by the DIA and other applicable security documents or guarantees as may be considered necessary for signature by the applicant. The agreement shall identify the approved scope of work, terms of compliance, and amount of the Grant.
7. Applicant or contractor(s) must secure a building permit and approval from the Downtown Design Review Board for the complete scope of work, and contractors must be registered with the City. Use of JSEB contractors in accordance with Section 126 will be a requirement in each grant agreement.
8. Upon completion of the project and final approvals of all required inspections, the applicant may request reimbursement of eligible expenses. Reimbursement for improvements will require proof of payment (e.g., canceled checks, lien waivers, contractor affidavit).
9. Following a request for reimbursement payment in accordance with the approved disbursement schedule, or upon completion of the project and final inspection and acceptance by the DIA, a one-time lump sum payment will be processed for approval and payment by DIA staff. The payment request will be processed within thirty (30) business days from receipt of the reimbursement request and all supporting documentation as deemed necessary.
10. Prior to reimbursement, the applicant must hold a current occupational license to do business in the City.

Up-front or limited "progress" payments may be available subject to Board approval based on applicant's willingness to provide a personal guarantee and a business plan score of 48 or higher.

VIII. BASIC RETAIL ENHANCEMENT GRANT - PROGRAM SPECIFIC REQUIREMENTS

For areas outside the boundaries of the Core Retail Enhancement Areas, and for certain new construction within the boundaries of the Core Retail Enhancements Areas, the following Base Retail Enhancement Program grants shall be available:

a. Basic Retail Program Grant Requirements

In addition to the requirements above, applicant projects will be subject to the following Program requirements:

- Projects located in the Cathedral, Church, LaVilla and Brooklyn Districts within Downtown, outside the boundaries of the Northbank or Southbank Core Retail Enhancement Areas will be eligible.
- New street-level spaces in ground-up construction that are either at least 5,000 sq ft or in corner locations wherever located within Downtown will be eligible.
- Remodeling, renovation, rehabilitation, installation, and additions to the interior and exterior of the existing commercial building, as well as tenant improvement costs beyond vanilla shell for new corner or large footprint retail establishments are eligible for Grant funds.
- Grant funds shall be used to modify and improve existing buildings or build out eligible space in new buildings beyond vanilla shell and shall not be used for normal maintenance or repair.

b. Additional business uses eligible for Basic Program (outside Core Retail Enhancement Areas)

Provided such businesses meet storefront transparency requirements and access directly from the street, and otherwise comply with the program parameters, creative office uses such as those identified below may participate outside the Core Retail Enhancement Areas.

- Business incubators
- Education/academia

- Information technology offices
- Co-work office spaces

c. Basic Retail Program Grant Funding

The Grant offers a maximum grant award of $20 for every square foot leased or occupied by the proposed tenant or business as recommended by DIA staff, the REPD Committee, and approved by the DIA Board. The amount of incentive dollars awarded shall not exceed 50% of the total project construction costs. The application may be made by the property owner, the tenant or jointly by the property owner and the tenant.

The applicant's verified expenditures for the improvements must match or exceed the amount of the Grant funding (a minimum of $1 to $1 ratio). The amount of the Grant shall not exceed the $20 for every eligible square foot leased or occupied by the proposed tenant or business.

IX. CORE RETAIL ENHANCEMENT GRANT PROGRAM

The Core Retail Enhancement Grant Program (the "Program") is designed to create momentum in the critical task of recruiting and retaining restaurant and retail businesses in the Northbank and Southbank **Core Retail Enhancement Areas** as designated in the attached map.

a. Core Retail Program Grant Funding

The Grant offers a maximum grant award of $30 for every square foot leased or occupied by the proposed tenant or business as recommended by DIA staff, the REPD Committee, and approved by the DIA Board. The amount of incentive dollars awarded shall not exceed 50% of the total project construction costs. The application may be made by the property owner, the tenant or jointly by the property owner and the tenant.

- An incentive boost of $5.00 per square foot shall be available to businesses primarily selling goods as opposed to services.
- An incentive equal to triple-net costs plus $7.00 per sq ft for percentage-rent only deals (not to exceed 7% of gross sales), with $1.00 per sq ft less for every $1.00 per sq ft charged in base rent.

Commented [BL2]: What does this equate to in dollars? examples

The applicant's verified expenditures for the improvements must match or exceed the amount of the Grant funding (a minimum of $1 to $1 ratio). The amount of the Grant shall not exceed the $30 for every eligible square foot leased or occupied by the proposed tenant or business.

X. TARGETED RETAIL ACTIVATION: FOOD AND BEVERAGE ESTABLISHMENT GRANT PROGRAM

a. Program Purpose and Benefit:

Targeted Retail Activation: Food and Beverage Establishments ("FAB-REP") expands upon the Core Retail Enhancement Program to revitalize business corridors and underutilized or vacant buildings with a focus on food and beverage establishments within the Northbank Core Retail Enhancement Area.

The FAB-REP creates two distinct districts that provide concentrated areas of dining, and entertainment opportunities that are visible from the street, open beyond workday hours, and utilize unique place making efforts such as creative lighting, interesting public art and inviting outdoor spaces.

These activated streets will provide the urban lifestyle that many Downtown residents seek and also promote small businesses by cultivating vibrant retail districts that will attract visitors. Further, by encouraging the location of restaurant and beverage establishments within these specific districts, patrons and business owners alike will benefit from the variety of options and the unique, walkable, and visually connected areas.

Operating as an enhanced incentive to the Core Retail Enhancement Grant Program, the Targeted Retail Activation: Food and Beverage Establishment Grant Program ("FAB-REP"), is designed to incentivize the investment and clustering of food and beverage establishments in two target areas: **The Elbow** and the **Hogan x Laura Districts**. These target areas were chosen based on the following factors:

1) Existing building stock within the area which can readily be used and/or converted for the targeted street front uses (first and certain second floors eligible);
2) Proximity to public parking garages that are not utilized extensively at night, which provide an opportunity for ample parking for patrons at free or reduced rates as the market develops;
3) Existing concentration of restaurants, bars, and entertainment venues;
4) Existing sidewalk width or ROW convertible to expanded sidewalk;
5) Streets designated within the adopted CRA plan for conversion to two-way creating a slower speed, providing greater visibility of street front establishments, and creating a more pedestrian friendly environment; and
6) Impact on two City owned sites proposed for redevelopment- Former Courthouse/City Hall annex adjacent to the Elbow and Riverfront Plaza development parcel at the waterfront of Laura and Hogan.

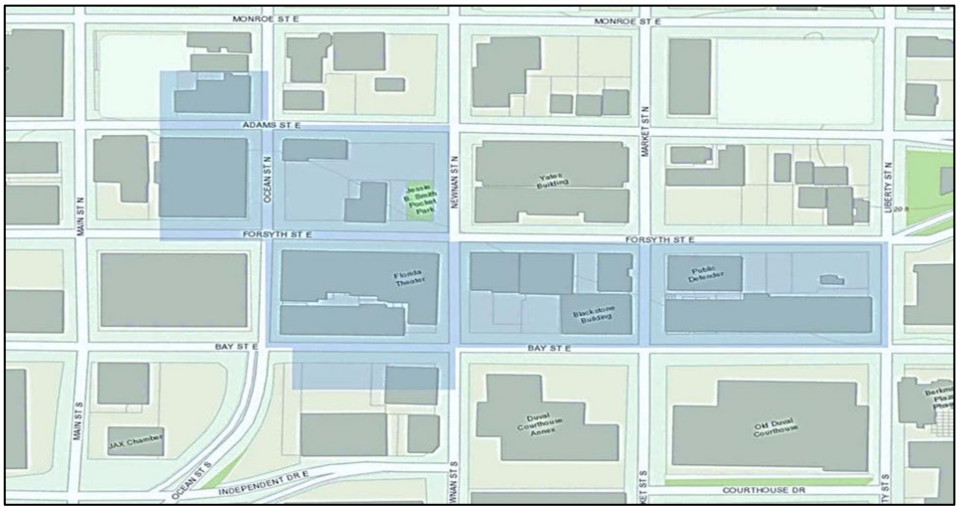
b. <u>The Elbow</u>:

The Downtown bar and entertainment area already branded as The Elbow, with a focus on the following street frontages, which are described and depicted in the map below:

- Street frontage facing Adams St. from the middle of the block traveling east from Main St. and terminating at the west side of Newnan St.
- Street frontage facing Forsyth St. from the middle of the block traveling east from Main Street on the north side, continuing east from Ocean St. and terminating at the west side of Liberty St., with only the south side of Forsyth St. traveling east from Newnan St. included.
- Street frontage facing Ocean St. traveling south to Forsyth St and terminating at the middle of the block between Bay St. and Independent Dr., with only the east side of Bay Street between Forsyth St. and Bay St. included
- Street frontage facing Bay St. traveling east from Ocean St. and terminating at the west side of Liberty St., with only the north side of Bay St. traveling east from Newnan St. included.

**Frontage on Adams St., Forsyth St., and Bay St. is important as Main and Ocean are expected to remain one-way and will be less walkable, however, connections that activate the frontage between districts could be considered.

The Elbow FAB-REP District:

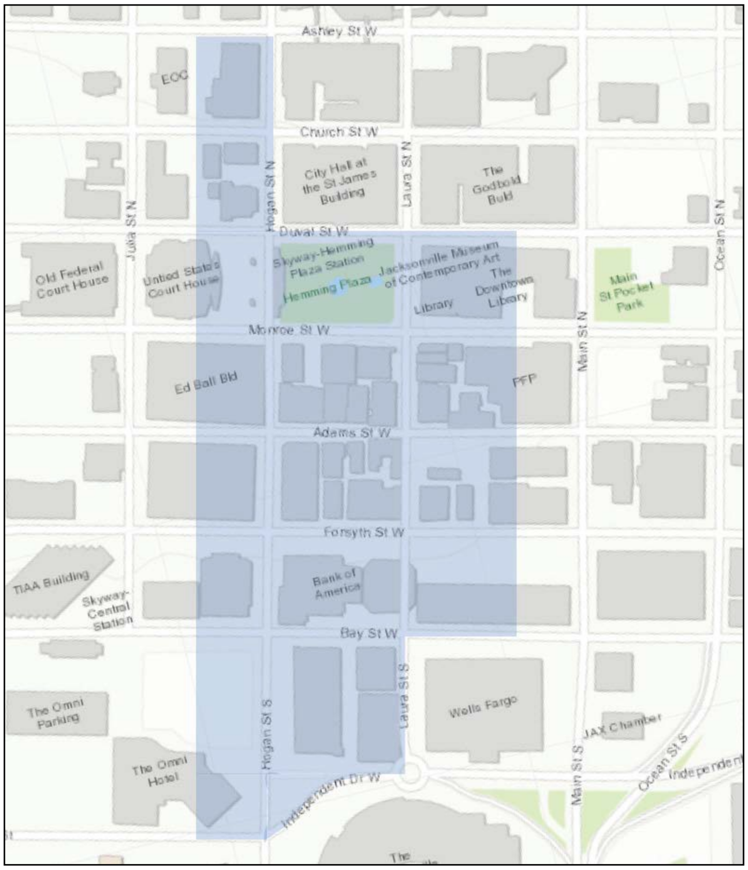


c. <u>Hogan x Laura Districts</u>:

Already home to several restaurants and bars, with a focus on the following street frontages, which are described and depicted in the map below:

- Street frontage facing **<u>Hogan St.</u>** beginning at Ashley St. on the west side of Hogan St., including both sides of the street at Duval St., and terminating at Water St.
- Street frontage facing **<u>Laura St.</u>** beginning at Duval St., continuing south on Laura St. until Bay St. on both sides of the street, and continuing on the west side of Laura St. and terminating at Independence Dr.
- Street frontage facing **<u>Monroe St.</u>, <u>Adams St.</u>, and <u>Forsyth St.</u>** beginning at the middle of the block between Julia St. and Hogan Street on both sides of the street, and terminating at the middle of the block between Laura St. and Main St.
- Street frontage facing **<u>Bay St.</u>** beginning at the middle of the block between Julia St. and Hogan Street on both sides of the street, and terminating at Laura St.
- Street frontage facing **<u>Bay St.</u>** beginning at Laura St. and continuing east on the north side of Bay St. and terminating at the middle of the block between Laura St. and Main St.
- Street frontage facing **<u>Water St., and Independence Dr.</u>** beginning at the middle of the block between Julia St. and Hogan St. continuing east on the north side of Water St., and Independence Dr. and terminating Laura St.

Hogan x Laura FAB-REP District:



d. <u>Qualifying Establishments</u>:

The Type of establishment will determine the appropriate incentive level.

a) Type 1: Generally, full service (i.e. wait staff, table bussers), full menu, full kitchen, non-disposable serve-ware. Must be open a minimum of five days per week for dinner until at least 9 p.m.

b) Type 2: Generally, limited service; order at the counter, self-clearing of tables, partial or full kitchen, buffet line, with on-site preparation and consumption of food. Must be open a minimum of five days per week for either breakfast (by 7:00 a.m.) or dinner/evening hours (until at least 9:00 p.m.).

c) Type 3: Generally, no kitchen or minimal kitchen, counter service only, limited menu or beverage only. Must be open a minimum of five days per week for either breakfast (by 7:00 a.m.) or dinner/evening hours (until at least 9:00 p.m.).

d) The below table provides various classifications of establishments and the most likely type from the descriptions above. The DIA has the discretion to determine the type of establishment if it is not listed here or it is not clearly defined.

Establishment	Type:
Fine Dining Restaurant	1
Food Hall (Not less than 6 restaurant bays)	1
Contemporary Casual Restaurant	1 or 2
Casual/Family Style Restaurant	1 or 2
Fast Casual Restaurant	2
Fast Food Restaurant	2 or 3
Café or Deli Restaurant	2 or 3
Pizza Parlor	2 or 3
Multi-vendor Food Hall	2
Coffee Shop	2
Ice Cream Shop	3
Pastry Shop/ Bakery	2
Craft Brewery Tap Room	2
Craft Distillery Tasting Room	2
Bar/Lounge	3
Entertainment Venue, such as music hall or movie theater	2

e. General Program Requirements:

1) Applicants:

a) Business Owner and the Property Owner would submit a joint application for a FAB-REP Grant~~Loan~~, indicating both the Business Owner and Property Owner's investments towards the eligible improvements.

i. The Business Owner and Property Owner must each contribute at least 25% of the cost of eligible improvements or provide a rent concession equal to such amount. Funding received through the Downtown Historic Preservation & Revitalization Trust Fund ("HPTF"), or the related portion paid by the Business Owner or the Property Owner, is not eligible for consideration towards the required contribution to the cost of eligible improvements under FAB-REP.

ii. Inclusion of the Business Owner in the Application Process creates alignment between incentive and performance as they are the principal beneficiary of the improvements in the immediate future.

iii. Inclusion of the Property Owner in the Application Process creates "buy-in" from the Property Owner as many of the eligible improvements will directly benefit him or her longer than the lease agreement with the Business Owner.

b) The Business Owner and the Property Owner will execute the same FAB- REP Grant Agreement that will identify specific responsibilities for each.

i. The amount of grant funds secured by an agreement that will reflect the total FAB-REP Grant awarded by the DIA, compliance measures, and other terms irrespective of the Property Owner contribution.

~~2)~~ The DIA reserves the right to determine if a personal guarantee or other form of security is necessary for the note. The decision will be based on the creditworthiness of the Business Owner and/or the Property Owner.

ii.

~~iii.~~ If the Business Owner is also the Property Owner, the DIA may request security in the form of a subordinate mortgage or lien on the property.

iii.

~~i.~~iv. Property Owner will have a cure period of 180 days should the Business Owner abandon the lease during the compliance period of the Grant.

~~3)~~

2) Grant Funding

a) **Improvement Incentive amounts**~~–~~

Funding under the FAB-REP program will be determined by the Type of establishment and limited to 50% of eligible costs, as outlined in Section III(e).

Establishment Type	Price per Square Foot	Cap of Eligible Costs
Type 1:	$65/Sq. Ft	50% of eligible costs, not to exceed $400,000
Type 2:	$50/Sq. Ft.	50% of eligible costs, not to exceed $200,000
Type 3:	$40/ Sq. Ft.	50% of eligible costs, not to exceed $100,000

~~a)~~b) **Historic Preservation/Adaptive Reuse Boost**

For properties designated as a local landmark (per the Jacksonville Historic Preservation Section of the Planning & Development Department), applicant can receive an additional $20 per square foot boost to the grant award (still subject to cap). Any changes to the exterior of local landmarks will need to be approved by the Jacksonville Historic Preservation Section or Jacksonville Historic Preservation Commission.

Costs included in an application for funding, or previously approved for funding, through the Downtown Historic Preservation & Revitalization Trust Fund ("HPTF") at any level may not included for consideration in the FAB-REP or for purposes of the boost, whether covered by the HPTF grant or not. Such costs must be separately identifiable in the construction budget presented at the time of application.

For properties designated as a contributing structure to the Downtown Historic District (per the National Park Service) but not a local landmark, the applicant can, subject to DIA approval, receive an additional $10 per square foot boost to their grant (still subject to cap). While DIA encourages preservation of the historic façade of contributing structures, it is an intent of the FAB-REP to promote ground floor activation. To that end, the replacement of storefront plate glass windows with window opening systems or similar modifications that promote greater street front visibility and access will not disqualify an applicant from receiving the boost.

~~b)~~c) **Type of Funding**

~~ii.~~i. Zero-interest, Grant, payable upon completion of the work and receipt by DIA of invoices for goods and services rendered, and proof that recipients paid for such goods and services.

a. No interest shall accrue upon the principal of the total loan amount with principal forgiven over a five (5) year period.

b. Total principal balance will amortize 20% each year of the compliance period.

c. At end of five years, the loan shall be forgiven in its entirety on the condition the improvements are installed and maintained in reasonably good condition and no City Code violations are incurred during the compliance period.

d. If it is determined that recipient(s) is in default, interest and full payment of the grant may be demanded.

e. DIA may help arrange bridge financing with community lenders, to facilitate funding requirements during the construction or build-out phase of the project. However, it is not the responsibility of DIA to arrange such financing arrangement.

~~a)~~d) **Recipient Eligibility:**

i. **Hours of Operation**: Establishment must be open not less than 5 days per week which must include either breakfast or dinner/evening hours, and specifically including at least one of the following operating periods:

a. Breakfast: opening no later than 7:00 am

~~a.~~b. Dinner/Evening hours: staying open at least until 9:00 pm, including either Friday or Saturday evening

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

ii. **Availability of funding for the specific type**:

~~2)~~1) In an effort to create a competitive and diverse mix of establishments in the FAB-REP districts, the DIA will target FAB- REP Grants to a specific number of establishments types each year. Annually, grants will be awarded on a first come, first serve basis, subject to available funds, and allocated as follows:

~~2.~~1. Type 1: not more than 5 in total for the year

2. Type 2: not more than 4 in each district

~~2.~~3. Type 3: not more than 3 in each district

2) The DIA reserves the right to adjust this allocation at any time based on market conditions and grant demand. Further, the DIA will evaluate the applicant's business plan, proximity to other establishments, the contribution made to the diversity in the retail mix of the area proposed, the product offering, and price points, in relation to the existing or approved establishments in the FAB-REP district.

iii. First floor spaces with access from the street or customers visible from the street are eligible. Situations where the upper floor space is related to the operations on the first floor and adds to the street activation may be considered as supplemental space on a case-by-case basis.

iv. Second floor only spaces may be eligible if open rooftop, balcony, or deck where service is visible from street level and access from street level is provided via stairs or elevator accessible from the sidewalk.

v. Supplemental space including outdoor seating areas, meeting space, banquet halls, and similar areas should not be included in the calculation of eligible square feet. DIA may award an incentive for supplemental space at a reduced rate per square foot depending on the anticipated use and level of finish which must be separately identifiable in the construction budget presented at the time of application.
vi. Applicant must provide a copy of a fully negotiated lease agreement with at least 3-year term operating during the entirety of the compliance period.
vii. The scoring rubric found in the existing Retail Enhancement Program will be utilized in scoring applications.
viii. In the event the recipient is unable to meet the above eligibility requirements, a Retail Enhancement Program Grant should be considered.

e) **Eligible and Ineligible Improvements:**

Eligible Improvements

To be considered eligible, the improvement must be directly related to the retail food or beverage establishment seeking the grant. Office, distribution, and costs associated with preparation or packaging of food or beverages to be consumed or distributed off-site are considered indirect improvements and not eligible for grant funds. Further, the use of FAB-REP grant funds may not be used for any portion of the cost of improvements submitted as part of an application or already approved for funding through an HPTF Grant. Such costs must be separately identifiable in the construction budget presented at the time of application.

The below list is not exhaustive but is illustrative of those improvements that otherwise would be considered eligible.

- Interior demolition and site preparation
- Code compliance, life safety and ADA
- Electrical, utility, and mechanical improvements (e.g., lighting, HVAC, elevator for establishment use only).
- Doors, windows, flooring, façade improvements (including awnings affixed to the building), and other interior and exterior improvements.
- Cooking, refrigeration, and ventilation systems, but not small appliances (e.g., microwave), fixtures, point-of-sale systems
- Other construction or improvements that would commonly be recognized as permanent or part of the interior or exterior of the tenant space
- 50% reimbursement of infrastructure costs clearly and demonstrably associated with preparation and packaging of food or beverages to be consumed or distributed off-site as a supplemental (not primary) use

Ineligible Improvements

Generally, any non-permanent improvements or improvements that do not directly relate to food or beverage operation, or any improvement made without the necessary permits are not eligible for grant funds.

- Temporary or movable furniture such as tables, chairs
- China, tablecloths, silverware, etc.
- Small kitchen appliances (i.e. microwaves, toasters)
- Enhancements or improvements generally considered out of scale with the business plan included as part of the grant application. By way of example, an ice cream parlor

would generally not require a wine cellar.

- Office equipment
- Moving expense
- Working capital
- Refinancing existing debts for prior improvements
- General periodic maintenance
- Soft costs (e.g. engineering and design, developer fees, etc.)
- New building construction or new building additions

XI. TARGETED RETAIL ACTIVATION- WATERFRONT RESTAURANT PROGRAM SPECIFIC REQUIREMENTS

In an effort to activate the Riverfront, celebrate the beauty of our National Heritage River, and capitalize on the City's investment in the Riverwalk, signature riverfront parks, and public recreational docks, a Waterfront Restaurant Zone has been established within which three new incentives are available.

There are four program types of Waterfront restaurant incentive:

1. Existing Riverfront buildings
2. New Construction Riverfront Mixed Use Buildings
3. New Construction Riverfront Free-standing restaurants
4. Creekfront restaurants

In addition to the requirements above in Sections I-VII of this Retail Incentive Program, the following program specific requirements shall apply.

a. Waterfront Restaurant Zone.

The Waterfront Restaurant Zone runs from the Fuller Warren Bridge to the eastern boundary of the Sports and Entertainment District on the Northbank and from the Fuller Warren Bridge to the Northeast Park at RiversEdge on the Southbank and along the banks of McCoys and Hogans Creeks within Downtown. The zone includes privately owned submerged lands where they exist, and the first parcel upland of the bulkhead/top of bank and/or Riverwalk and the property must be directly accessible from the Riverwalk or creek-side public trail. To qualify as within the zone, the waterfront restaurant must be located over water or upland with no intervening development between the restaurant and the Riverwalk or public Creekside trail. The restaurant must have a direct view of the water, direct access to the Riverwalk (in the case of the Southbank a bridge to the Riverwalk may be required) or creekside public trail and outdoor service on the waterfront is highly desired.

b. Existing Riverfront Buildings

1) **Qualifying Establishments:**

Only Type 1 restaurants with a minimum of 3000 square feet of enclosed indoor space will qualify. Type 1 is generally, full service (i.e. wait staff, table bussers), full menu, full kitchen, non-disposable serve-ware. Must be open a minimum of five days per week for dinner until at least 9 p.m.

The below table provides various classifications of establishments and the most likely type from the descriptions above. The DIA has the discretion to determine the type of establishment if it is not listed here or it is not clearly defined.

Establishment	Type:

Fine Dining Restaurant	1
Food Hall (Not less than 6 restaurant bays)	1
Contemporary Casual Restaurant	1 or 2
Casual/Family Style Restaurant	1 or 2

2) Grant Funding

Improvement Incentive amounts

Funding under the Existing Riverfront Building program will be determined by the Type of establishment and limited to 50% of eligible costs, as outlined in Section III(e) under the FAB-REP program.

Establishment Type	**Price per Square Foot**	**Cap of Eligible Costs**
Type 1:	$75/Sq. Ft/ground floor	50% of eligible costs, not to exceed $500,000
Type 1:	$65/Sq. Ft./rooftop	50% of eligible costs, not to exceed $400,000

Direct Boater Access Boost

For qualifying restaurants where a dock with public boater access exists on the parcel, or where the owner has provided the City with an appropriate upland interest and permission to seek a submerged lands lease and construct a public access dock in front of the property, applicant can receive an additional $10 per square foot boost to the grant award (still subject to cap).

3) **General Program Requirements**

The General Program Requirements for FABREP contained in Section III(e)(1) Applicants and III (e)(2)(c) Grant Funding-Type of Funding and III(e)(2)(e) Grant funding-Eligible and Ineligible Improvements shall apply to this program.

4) **Recipient Eligibility:**

i. Establishment must be open not less than 5 days per week which must include dinner/evening hours, staying open at least until 9:00 pm, including both Friday and Saturday evening
   a. DIA will have the authority to modify the required hours of operation in the event market conditions require same.

ii. Ground floor spaces that meet the requirements of the Waterfront Restaurant zone are eligible. Situations where the upper floor space is related to the operations on the first floor and adds to the riverfront activation may be considered as supplemental space on a case-by-case basis.

iii. Upper floor only spaces may be eligible if open rooftop, entirely open balcony or deck where service is visible from Riverfront ground level and access from Riverwalk level is provided via stairs or elevator accessible from the Riverwalk.

iv. Supplemental space including outdoor seating areas, meeting space, banquet halls, and similar areas should not be included in the calculation of eligible square feet. DIA may award an incentive for supplemental space at a reduced rate per square foot depending on the anticipated use and level of finish which must be separately identifiable in the construction budget presented at the time of application.

v. Applicant must provide a copy of a fully negotiated lease agreement with at least 3-year term operating during the entirety of the compliance period.

vi. The scoring rubric found in the existing Retail Enhancement Program will be utilized in scoring applications.

c. New Construction Riverfront Mixed Use Buildings

1) **Qualifying Establishments:**

Only Type 1 restaurants with a minimum of 3000 square feet of enclosed indoor space will qualify. Type 1 is generally, full service (i.e. wait staff, table bussers), full menu, full kitchen, non-disposable serve-ware. Must be open a minimum of five days per week for dinner until at least 9 p.m.

The below table provides various classifications of establishments and the most likely type from the descriptions above. The DIA has the discretion to determine the type of establishment if it is not listed here or it is not clearly defined.

Establishment	**Type:**
Fine Dining Restaurant	1
Food Hall (Not less than 6 restaurant bays)	1
Contemporary Casual Restaurant	1 or 2
Casual/Family Style Restaurant	1 or 2

2) Grant Funding

Improvement Incentive amounts

Funding under the New Construction Riverfront mixed-Use Building program will be determined by the Type of establishment and limited to 50% of eligible costs, as outlined in Section III(e) under the FAB-REP program.

Establishment Type	**Price per Square Foot**	**Cap of Eligible Costs**
Type 1:	$100/Sq. Ft/ground floor	50% of eligible costs, not to exceed $750,000
Type 1:	$75/Sq. Ft./rooftop	50% of eligible costs, not to exceed $500,000

Direct Boater Access Boost

For qualifying restaurants where a dock with public boater access exists on the parcel, or where the owner has provided the City with an appropriate upland interest and permission to seek a submerged lands lease and construct a public access dock in front of the property, applicant can receive an additional $10 per square foot boost to the grant award (still subject to cap).

3) Applicants:

The applicant for New Construction Riverfront Mixed-use Buildings may be the owner of the property who is developing the new mixed-use building. A tenant operator need not be identified at the time of application and notwithstanding any other program requirements generally applicable to FABREP or Waterfront Restaurant Incentive programs the following provisions shall supercede and control:

i. The grant shall be paid upon completion of the restaurant construction and delivery of a fully executed lease with a tenant operator of a qualifying Type 1 restaurant provided such lease requires completion of all remaining tenant improvements and opening for business within 120 days of execution. If the time for completion and opening is longer than 120 days, the grant shall be payable upon opening of the restaurant.

ii. Restaurant construction cost shall not include the cost of associated parking, if any, nor real estate taxes.

iii. The loan term shall be 10 years and shall be forgiven 10% per year so long as the restaurant space is occupied with a qualified Type 1 restaurant that operates for a minimum of 8 hours per day, 5 days per week, as described below, and remains in operation throughout the year except in the event of operator turnover.

iv. In the event of operator turnover, a closure of not more than 60 days will be allowed without loss of loan forgiveness for that year. Any amount not forgiven by the tenth anniversary shall be due and payable on that tenth anniversary date.

v. If restaurant is located in a mixed-use building for which any incentive is provided for the primary use (such as a multi-family REV grant), only construction costs beyond cold dark shell, which may include increased podium, venting, access, elevator, enlarged patio, grease trap, commercial grade systems, capital expenditures related to tenant improvements, and associated soft costs, will be used to determine total construction cost.

4) General Program Requirements

The General Program Requirements for FABREP contained in Section III (e)(2)(c) Grant Funding-Type of Funding and III(e)(2)(e) Grant funding-Eligible and Ineligible Improvements shall apply to this program**.**

5) Eligibility:

vii. Qualifying restaurants must be open not less than 5 days per week which must include dinner/evening hours: staying open at least until 9:00 pm, including both Friday and Saturday evening

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

viii. Ground floor spaces that meet the requirements of the Waterfront Restaurant zone are eligible. Situations where the upper floor space is related to the operations on the first floor and adds to the riverfront activation may be considered as supplemental space on a case-by-case basis.

ix. Upper floor only spaces may be eligible if open rooftop, entirely open balcony or deck where service is visible from Riverfront ground level and access from Riverwalk level is provided via stairs or elevator accessible from the Riverwalk.

x. Supplemental space including outdoor seating areas, meeting space, banquet halls, and similar areas should not be included in the calculation of eligible square feet. DIA may award an incentive for supplemental space at a reduced rate per square foot depending on the anticipated use and level of finish which must be separately identifiable in the construction budget presented at the time of application.

xi. Applicant must provide a copy of a fully negotiated lease agreement with at least 3-year term operating during the entirety of the compliance period.

d. New Construction Riverfront Free-standing Restaurant

1) Location:

Only free-standing restaurants located on unique parcels not otherwise suitable for a more dense use, restaurants constructed over submerged lands, and free-standing restaurants located on other upland sites within the Waterfront Restaurant Zone which in the discretion of DIA have been determined that a free-standing restaurant is the highest and best use of the parcel will be eligible.

2) Qualifying Establishments:

The Type of establishment will determine the appropriate incentive level.

a) Type 1: Generally, full service (i.e. wait staff, table bussers), full menu, full kitchen, non-disposable serve-ware. Must be open a minimum of five days per week for dinner until at least 9 p.m.

b) Type 2: Generally, limited service; order at the counter, self-clearing of tables, partial or full kitchen, buffet line, with on-site preparation and consumption of food. Must be open a minimum of five days per week for either breakfast (by 7:00 a.m.) or dinner/evening hours (until at least 9:00 p.m.).

c) Type 3: Generally, no kitchen or minimal kitchen, counter service only, limited menu or beverage only. Must be open a minimum of five days per week for either breakfast (by 7:00 a.m.) or dinner/evening hours (until at least 9:00 p.m.).

d) All Types must be open Friday and Saturday evening or Saturday and Sunday daytime.

e) The below table provides various classifications of establishments and the most likely type from the descriptions above. The DIA has the discretion to determine the type of establishment if it is not listed here or it is not clearly defined.

The below table provides various classifications of establishments and the most likely type from the descriptions above. The DIA has the discretion to determine the type of establishment if it is not listed here or it is not clearly defined.

Establishment	Type:
Fine Dining Restaurant	1
Food Hall (Not less than 6 restaurant bays)	1
Contemporary Casual Restaurant	1 or 2
Casual/Family Style Restaurant	1 or 2
Fast Casual Restaurant	2
Fast Food Restaurant	2 or 3
Café or Deli Restaurant	2 or 3
Pizza Parlor	2 or 3
Multi-vendor Food Hall	2
Coffee Shop	2
Ice Cream Shop	3
Pastry Shop/ Bakery	2
Craft Brewery Tap Room	2
Craft Distillery Tasting Room	2
Bar/Lounge	3

3) Grant Funding

Improvement Incentive amounts

Funding under the New Construction Riverfront Free-standing Restaurant program will be determined by the Type of establishment and limited to 50% of eligible costs, as outlined in Section III(e) under the FAB-REP program. Notwithstanding the foregoing, eligible costs of a free-standing building shall include all construction hard costs of that free-standing restaurant building.

Establishment Type	Price per Square Foot	Cap of Eligible Costs
Type 1:	$100/Sq. Ft/ground floor	50% of eligible costs, not to exceed $750,000
Type 1:	$75/Sq. Ft./rooftop	50% of eligible costs, not to exceed $500,000
Type 2:	$50/Sq. Ft./ground floor	50% of eligible costs, not to exceed $250,000
Type 3:	$40/ Sq. Ft./ground floor	50% of eligible costs, not to exceed $100,000
Type 3 bar lounge only**:**	$50/Sq. Ft./rooftop	50% of eligible costs, not to exceed $350,000

Direct Boater Access Boost

For qualifying restaurants where a dock with public boater access exists on the parcel, or where the owner has provided the City with an appropriate upland interest and permission to seek a submerged lands lease and construct a public access dock in front of the property, applicant can receive an additional $10 per square foot boost to the grant award (still subject to cap).

4) Applicants:

The applicant for a New Construction Free-standing Restaurant may be the owner of the property who is developing the restaurant building. A tenant operator need not be identified at the time of application and notwithstanding any other program requirements generally applicable to FABREP or Waterfront Restaurant Incentive programs the following provisions shall supercede and control:

i. The grant shall be paid upon completion of the restaurant construction and delivery of a fully executed lease with a tenant operator of a qualifying Type 1,2 or 3 restaurant provided such lease requires completion of all remaining tenant improvements and opening for business within 120 days of execution. If the time for completion and opening is longer than 120 days, the grant shall be payable upon opening of the restaurant.

ii. Restaurant construction cost shall not include the cost of associated parking, if any, nor real estate taxes.

iii. The loan term shall be 10 years and shall be forgiven 10% per year so long as the restaurant space is occupied with a qualified Type 1 restaurant that operates for a minimum of 8 hours per day, 5 days per week, as described below, and remains in operation throughout the year except in the event of operator turnover.

iv. In the event of operator turnover, a closure of not more than 60 days will be allowed without loss of loan forgiveness for that year. Any amount not forgiven by the tenth anniversary shall be due and payable on that tenth anniversary date.

v. A separate tax parcel must be created for the restaurant and total construction cost less the cost of parking and taxes will be used.

5) General Program Requirements

The General Program Requirements for FABREP contained in Section III (e)(2)(c) Grant Funding-Type of Funding and III(e)(2)(e) Grant funding-Eligible and Ineligible Improvements shall apply to this program.

6) Eligibility:

xii. Qualifying restaurants must be open not less than 5 days per week which must include dinner/evening hours: staying open at least until 9:00 pm, including both Friday and Saturday evening

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

xiii. Ground floor spaces that meet the requirements of the Waterfront Restaurant zone are eligible. Situations where the upper floor space is related to the operations on the first floor and adds to the riverfront activation may be considered as supplemental space on a case-by-case basis.

xiv. Upper floor only spaces may be eligible if open rooftop, entirely open balcony or deck where service is visible from Riverfront ground level and access from Riverwalk level is provided via stairs or elevator accessible from the Riverwalk.

xv. Supplemental space including outdoor seating areas, meeting space, banquet halls, and similar areas should not be included in the calculation of eligible square feet. DIA may award an incentive for supplemental space at a reduced rate per square foot depending on the anticipated use and level of finish which must be separately identifiable in the construction budget presented at the time of application.

xvi. Applicant must provide a copy of a fully negotiated lease agreement with at least 3-year term operating during the entirety of the compliance period.

e. Creekfront Restaurants

1. Creekfront program

Restaurants that meet the Waterfront Restaurant Zone criteria for a creekfront restaurant whether in an existing building, a new construction creekfront mixed use building, or a new construction creekfront free-standing restaurant building will be eligible for incentive consideration.

2. Existing Creekfront buildings

Creekfront restaurants within existing buildings that meet the Creekfront Waterfront Zone criteria shall be eligible for the FABREP program as applied in the two designated FABREP districts and all applicable terms of Section X above shall apply except the limitation on location to the designated FABREP Districts.

3. New Construction Creekfront Mixed Use Buildings

Restaurants within New Construction Creekfront Mixed-Use Buildings shall be eligible for incentives following the same guidelines as applicable to New Construction Riverfront Mixed Use

Buildings except that the applicable grant amount will be established in accordance with the table below.

Funding under the New Construction Creekfront Mixed-Use Building program will be determined by the Type of establishment and limited to 50% of eligible costs, as outlined in Section III(e) under the FAB-REP program. Only Type 1 establishments are eligible.

Establishment Type	**Price per Square Foot**	**Cap of Eligible Costs**
Type 1:	$75/Sq. Ft/ground floor	50% of eligible costs, not to exceed $500,000
Type 1:	$50/Sq. Ft./rooftop	50% of eligible costs, not to exceed $300,000

4. New Construction Free-standing Creekfront restaurants

New Construction Creekfront Free-standing Restaurants shall be eligible for incentives following the same guidelines as applicable to New Construction Free-standing Riverfront Restaurants except that the applicable grant amount will be established in accordance with the table below.

Funding under the New Construction Riverfront Free-standing Restaurant program will be determined by the Type of establishment and limited to 50% of eligible costs, as outlined in Section III(e) under the FAB-REP program. Notwithstanding the foregoing, eligible costs of a free-standing building shall include all construction hard costs of that free-standing restaurant building.

Establishment Type	**Price per Square Foot**	**Cap of Eligible Costs**
Type 1:	$75/Sq. Ft/ground floor	50% of eligible costs, not to exceed $750,000
Type 1:	$50/Sq. Ft./rooftop	50% of eligible costs, not to exceed $500,000
Type 2:	$50/Sq. Ft./ground floor	50% of eligible costs, not to exceed $250,000
Type 3:	$40/ Sq. Ft./ground floor	50% of eligible costs, not to exceed $100,000
Type 3 bar/lounge only:	$50/Sq. Ft./rooftop	50% of eligible costs, not to exceed $250,000

XII. ~~IX.~~ SIDEWALK ENHANCEMENT GRANT PROGRAM

In an effort to encourage more outdoor dining activity and place making, a Sidewalk Enhancement Grant may be awarded to recipients of FAB-REP funding, subject to the following conditions and limitations:

a. Eligibility Requirements

~~1.~~

~~2.~~1. Properties must be located within FAB-REP District Boundaries.

~~3.~~2. Additional funds will be available to FAB-REP grant recipients, to ~~cover~~ reimburse up to 80% of eligible outdoor dining improvement costs, but not to exceed $15,000. A separate budget must be provided. The funds can be used for the cost of creating outdoor spaces that enhance the sidewalk experience, such as tables, chairs, and other furniture, lighting, greenery, umbrellas, and awnings.

~~4.~~3. All Sidewalk Grant recipients must hold a valid Sidewalk Café permit to be eligible for the grant.

~~5.~~4. Application for the Sidewalk Enhancement Grant must include a plan to protect the improvements including all equipment and fixtures for the three-year compliance period, subject to approval by DIA staff.

~~6.~~5. DIA reserves the right to inspect the improvements during the compliance period. In the event operator fails to use the improvements as intended or fail to secure and maintain the improvements in good repair as agreed, including but not limited to loss of or irreparable damage (beyond normal wear and tear), the DIA may declare the recipient in default. The recipient will then have a period of thirty days to cure such default or DIA may withhold amortization of funds awarded under this Sidewalk Enhancement Grant.

~~7.~~6. As an alternative to the REP or FAB-REP, qualifying Business Owners already established or new qualifying Business Owners within the FAB-REP districts, may apply for a Stand-alone Sidewalk Enhancement Forgivable Loan to reimburse up to 80% of eligible outdoor dining improvement costs, but in an amount not to exceed $5,000, without requiring participation by the Property Owner as a co-applicant. Further, administration of any Stand-alone Sidewalk Enhancement Forgivable Loan will be made as a recoverable grant with claw back provisions for a term of three years. Approval shall be based on applicant eligibility, DIA staff approval of the proposed improvements, evidence of a valid lease with a minimum of three years remaining, and documented approval of the improvements by the landlord. Application Requirements and Project Evaluation Criteria of the REP shall not apply to applicants for a Stand-alone Sidewalk Enhancement Forgivable Loan. However, a separate application and budget must be provided, and other requirements as found under the Sidewalk Enhancement Forgivable Loan program, to the extent not contrary to this paragraph, shall apply to the Stand-alone Sidewalk Enhancement Forgivable Loan.~~Qualifying existing or new food and beverage operators within the defined FAB-REP districts may also apply for a Stand-alone Sidewalk Enhancement Grant not to exceed $5,000. Only the Business Owner is required to serve as the applicant for the Stand-alone Sidewalk Enhancement Grant. Other terms and conditions as noted above also apply.~~

DIA Multifamily Housing REV Grant – As Revised 2021

The program, first adopted in 2014, is designed to facilitate residential development within Downtown, to stimulate economic growth, and to fulfill the Downtown population goals established by the CRA by filling the economic gap that exists between achievable rents/NOI, capital requirements, and development costs. In the case of this program, the financial gap has been established on a neighborhood or district basis in context of development costs, capital requirements, and current and projected rent-growth in combination with fulfilling other economic development goals, thereby eliminating the need for a financial gap analysis of projects that comply with the criteria below.

Based on recent market feasibility and economic analysis, it has been determined that this REV grant shall not exceed 50% for riverfront properties located between Riverside Avenue and the St. Johns River in Brooklyn and for properties located between Riverplace Blvd./Prudential Drive (the first road parallel to the river) and the St. Johns River on the Southbank ("Limited Incentive Areas") unless additional rooftop restaurants/bars or waterfront retail beyond that required is included as described below. Further limitations are found under "REV Grant Factors" under Section A. below.

- The program provides for a recovery of a portion of the incremental increase in ad-valorem taxes, ("Annual Project Revenue") on real and tangible personal property, which is produced as a result of the multifamily housing development.
- Unless further restricted otherwise in this program, the maximum grant will be limited to 75% of the City/County portion of the incremental increase in ad valorem taxes.
- The maximum life of the REV grant will be 20 years from completion but in no event longer than the payment due in 2026 for the calendar year 2025 taxes payable in April 2026. (duration exceeds the life of the applicable CRA's).
- The amount of the grant is determined by DIA based on the factors below, not based on applicant request or argued need.
- Program eligibility: To be eligible for the program the development must develop at least 16 new multi-family rental housing units in Downtown.
  - The DIA will confirm compliance with the eligibility requirements and additional commitments made by the Developer with quarterly reviews of rent rolls and annual reports and additional monitoring as needed.
- Any DIA Multifamily Housing REV Grant application that contemplates demolition of a Historic Property (one having local landmark designation or identified as a contributing structure in the National Historic District or properties over 50 years old and determined to be historically and culturally relevant by the DIA Board in its sole discretion) shall lose a minimum of 10 percentage points from its REV calculation, and up to a maximum of 25 percentage points as further determined by the DIA Board in its sole discretion.

A. <u>For Developments Adjacent to the St. Johns River or Riverwalk.</u>

The program provides for a recovery of a portion of the Annual Project Revenue, on real and tangible personal property, which is produced as a result of multi-family housing and related development within the DIA Boundary and immediately adjacent to the St. Johns River or Riverwalk.

- The amount of the grant is determined by,

- The amount of retail/office/commercial space included in a mixed-use development; and,
- Density of housing along the waterfront identified.
- Design factors identified below.

Based on recent market feasibility and economic analysis, it has been determined that this REV grant shall not exceed 50% for riverfront (adjacent to the Riverwalk or bulkhead with unobstructed river view) properties located between Riverside Avenue and the St. Johns River in Brooklyn and for properties located between Riverplace Blvd./Prudential Drive (the first road parallel to the river) and the St. Johns River on the Southbank ("Limited Incentive Area") unless additional rooftop restaurants/bars or waterfront retail beyond that required is included as described below.

Conditions to eligibility for any level of REV Grant:

1. Developer must make a substantial commitment to assume responsibility for, or contribute to, an organization (including, but not limited to, the City through the Parks Partnership Program) to provide for the development, maintenance, or programming in the adjacent public space. Examples of acceptable commitments may be assuming responsibility for maintenance of the adjacent Riverwalk, or funding the same, for the life of the REV, donating a major piece of art to the park, or construction of a playground or sport court, etc. Commitments will be evaluated by DIA staff to determine materiality and consistency with the intent of this section. A one-time up-front commitment valued by DIA at not less than 3% of minimum total Private Capital Investment of the Developer used in calculation of the REV shall be deemed material however other values and payments over time may be considered material as described in the Structuring the Deal section of the BID.
2. In any mixed use residential or multi-family housing development immediately adjacent to the St. Johns River or Riverwalk, ground level restaurant or bar space that actively engages the waterfront and/or Riverwalk shall be provided of not less than:
   a. 3,000 square feet or 10% of the leasable residential square footage, whichever is greater; and
   b. No less than 50% of the riverfront ground level façade linear frontage; and
   c. No less than 50 feet in depth off the riverfront façade of the building
   d. ~~This requirement is capped at 5,000 square feet for developments greater than 50,000 square feet of leasable residential square feet.~~ Higher level spaces above ground floor may be approved by the DIA Board in unique circumstances where the ground level of the building is not at the same grade as the Riverwalk.
3. In any mixed use residential or multi-family housing development immediately adjacent to the St. Johns River or Riverwalk, which development also has street frontage on the first street parallel to the river, no less than 30% of the ground level of the street frontage shall be retail, with an additional 30% of the frontage activated space such as leasing offices, fitness centers, etc.

Commented [BL1]: Steve- in light of Alex's comments, do we want to strike this or raise the number?

4. The ground level of any structured parking garage associated with such project facing the street must be wrapped with a) residential units or b) commercial space, accessible from the street, except at points of entry and exit.
5. All levels of any structured parking garage associated with such project and facing or visible from the waterfront or Riverwalk must be wrapped with a) residential units, or b) commercial space to screen the garage from the public space.
6. Developer must provide at no charge to the City, a permanent easement for public access for the Riverwalk trail system as contemplated by the Downtown Zoning Overlay. In the case of areas adjacent to Riverwalk segments constructed over water, the Developer must provide permanent public access easements and bridges connecting the Riverwalk to the upland development considered for incentive.
7. Developer must provide at no charge to the City, the public View and Access corridor easements or dedications for public use in accordance with the Downtown Zoning Overlay.
8. Applicant must commit to the minimum private capital investment based on projected development costs as finalized in negotiation with the DIA.
    a. Any deviation below the minimum will result in a pro rata reduction of the Maximum REV payable over the term.
    b. Any reduction of 10% or greater will result in forfeiture of the REV.

REV Grant Factors: The precise REV Grant size will be determined by the following factors:

- 5% for every 50 units with a~~n~~ ~~average~~ minimum average size of 500 square feet produced in Downtown Jacksonville adjacent to the St. Johns River or Riverwalk with a minimum density of 200 units/acre. (maximum of 25%; however, properties within the Limited Incentive Area shall not be eligible for any points from the unit count); *plus,*
- Up to 15% for the development of City-owned lazy / underutilized assets (maximum amount only if purchased at appraised market value without other incentives); *plus,*
- 10% for each 2,500 square feet of ground level retail space or rooftop restaurant/bar accessible by the public directly from the river or Riverwalk and 5% for each 2,500 square feet of ground level office/commercial space made available for lease to an unrelated third party accessible by the public directly from the river or Riverwalk (maximum of 20%, exclusive of restaurant percentage awarded below); *plus,*
- 10% for each 1,500 square feet (beginning with 3,000 square feet in a single operation) of ground level waterfront, Riverwalk front, or park front restaurant(s) open weekends, and a minimum of six days per week, and two meal periods of each day of operations (maximum of 40%); *plus,*
- Up to 15% for enhanced design and quality including unique architectural features and materials in the subject residential building(s) or any visible portion of an associated structured parking garage, or both, beyond minimum compliance with DDRB standards (to qualify for this factor, conceptual plans including exterior materials, must have received DDRB approval) *plus,*
- Up to 15% total for the provision or utilization of shared use parking through one or more of the following:

- 1% shall be available for each percent of new surface parking spaces or parking structure spaces at grade or on the ground floor that are dedicated to public use at all times (minimum 5 spaces to be eligible);
- 5% shall be available for every 25 spaces made available on site for shared parking by off-site primary users;
- 5% shall be available for every 25 spaces serving the residential development that are secured through off-site shared use arrangements; *plus,*

- 2% for every 10 units provided ~~for~~ with enhanced ADA accessibility above the minimum Accessibility Requirements of the Fair Housing Act ~~required minimum number of units~~ (maximum of 10%); *plus,*
- 10% for each occupiable floor above seven (excluding any basement, maximum of 30%); *plus*
- 10% for projects located in the Central Core District; *plus,*
- Up to 10% for resiliency through one or more of the following:
  - Resilient Building Design – up to 5% for utilization of resilient building techniques, such as use of flood-proof materials on first floor/subsurface elements, elevation of critical assets (HVAC, generators, utility boxes, etc.) to above the first floor, and use of reflective materials on the roof to create a "cool roof"
  - Resilient Landscaping and Site Design – up to 5% for designing landscaping around residential building to address flooding and heat, including installation of catchment systems, bioswales or green infrastructure that can capture the first 1.5 inches of stormwater on-site or increasing tree canopy to twice the amount pre-construction

Properties located in the Limited Incentive Area may exceed the 50% limitation up to maximum of 75% by providing the following:

- 5% for each 10% of riverfront ground level building façade linear frontage (above the minimum 50% required) that is devoted to ground level retail or restaurant/bar space accessible by the public directly from the Riverwalk
- 15% for a minimum X000 square foot rooftop restaurant/bar accessible by the public directly from the Riverwalk

B. <u>For Developments Adjacent to the Creek Front, or adjacent to a City owned public park.</u>

The program provides for a recovery of a portion of the Annual Project Revenue, on real and tangible personal property, which is produced as a result of multi-family housing development within the DIA Boundary and immediately adjacent to McCoy's Creek, Hogan's Creek, (or the Emerald Trail adjacent to either creek) or a City owned public park.

- The amount of the grant is determined by,
  - The amount of retail/office/commercial space included in a mixed-use development; and,
  - Density of housing along the waterfronts or park front identified.

- Design factors identified below.

Conditions to eligibility for any level of REV Grant:

1. Developer must make a substantial commitment to assume responsibility for, or contribute to, an organization (including, but not limited to, the City through the Parks Partnership Program) to provide for the development, maintenance, or programming in the adjacent public space. Examples of acceptable commitments may be assuming responsibility for maintenance of the adjacent Riverwalk, or funding the same, for the life of the REV, donating a major piece of art to the park, or construction of a playground or sport court, etc. Commitments will be evaluated by DIA staff to determine materiality and consistency with the intent of this section. A one-time up-front commitment valued by DIA at not less than 3% of minimum total Private Capital Investment of the Developer used in calculation of the REV shall be deemed material, however other values relative to the size of the park and payments over time may be considered material as described in the Structuring the Deal section of the BID.
2. In any mixed use residential or multi-family housing development immediately adjacent to McCoy's Creek, Hogan's Creek, or a City owned public park , which development also has street frontage, no less than 30% of the ground level of the linear street frontage shall be retail, with an additional 30% of the frontage activated space such as leasing offices, fitness centers, etc.
3. The ground level of any structured parking garage associated with such project facing the street must be wrapped with a) residential units or b) commercial space, accessible from the street, except at points of entry and exit.
4. All levels of any structured parking garage associated with such project and facing or visible from the waterfront or park ~~-~~must be wrapped with a) residential units, or b) commercial space to screen the garage from the public space.
5. Developer must provide at no charge to the City, a permanent easement for public access for the Creekside trail system as contemplated by the Downtown Zoning Overlay.
6. Developer must provide at no charge to the City, the public View and Access corridor easements or dedications for public use in accordance with the Downtown Zoning Overlay.
7. Applicant must commit to a minimum private capital investment based on projected development costs as finalized in negotiation with the DIA.
   a. Any deviation below the minimum will result in a pro rata reduction of the Maximum REV payable over the term
   b. Any reduction of 10% or greater will result in forfeiture of the REV

REV Grant Factors: The precise REV Grant size will be determined by the following factors:

- 5% for every 50 units with a~~n~~ ~~average~~ minimum average size of 500 square feet produced in Downtown Jacksonville adjacent to McCoy's Creek, Hogan's Creek, or a City owned public park with a minimum density of 75 units/acre in the Cathedral District and 100 units/acre elsewhere. (maximum of 25%); *plus,*
- Up to 15% for the development of City-owned lazy / underutilized assets (maximum amount only if purchased at appraised market value without other incentives); *plus,*

- 10% for each 2,500 square feet of ground level retail space (frontage must be equal to or greater than depth) or rooftop restaurant/bar accessible by the public directly from the street, park, or creek (maximum 20%); *plus*
- 5% for each 2,500 square feet of ground level office/commercial space made available for lease to an unrelated third party and accessible by the public directly from the street, park, or creek (maximum of 10%, exclusive of restaurant percentage awarded below); *plus,*
- 10% for each 1,500 square feet (beginning with 3,000 square feet in a single operation) of ground level creek front or park front restaurant(s) open weekends, and a minimum of six days per week, and two meal periods of each day of operations (maximum of 40%); *plus,*
- Up to 10% for enhanced design and quality including unique architectural features and materials in the subject residential building(s) or any visible portion of an associated structured parking garage, or both, beyond minimum compliance with DDRB standards (to qualify for this factor, conceptual plans including exterior materials, must have received DDRB approval) *plus,*
- Up to 15% for the provision or utilization of shared use parking through one or more of the following:
    - 1% shall be available for each percent of new surface parking spaces or parking structure spaces at grade or on the ground floor that are dedicated to public use at all times.
    - 5% shall be available for every 25 spaces made available on site for shared parking by off-site primary users.
    - 5% shall be available for every 25 spaces serving the residential development that are secured through off-site shared use arrangements. (maximum of 15%); *plus*
- 5% for every 10 units provided for enhanced ADA accessibility (maximum of 10%); *plus,*
- 10% for each occupiable floor above seven (excluding any basement, maximum of 30%); *plus,*
- 15% for a project of not less than 50 units with a~~n~~ ~~average~~ minimum average size of 500 square feet located in Cathedral or LaVilla District; *plus*
- Up to 10% for resiliency through one or more of the following:
    - Resilient Building Design -- 5% for utilization of resilient building techniques, such as use of flood-proof materials on first floor/subsurface elements, elevation of critical assets (HVAC, generators, utility boxes, etc.) to above the first floor, and use of reflective materials on the roof to create a “cool roof”
    - Resilient Landscaping -- 5% for designing landscaping around residential building to address flooding and heat, including installation of catchment systems, bioswales or green infrastructure that can capture the first 1.5 inches of stormwater on-site or increasing tree canopy to twice the amount pre-construction

C. <u>For Developments Not Adjacent to the River, Creek, or City Park</u>

The program provides for a recovery of a portion of the Annual Project Revenue, on real and tangible personal property, which is produced as a result of multi-family housing development within the DIA Boundary and NOT immediately adjacent to the St. John’s River or Riverwalk, McCoy’s Creek, Hogan’s Creek (or the Emerald Trail adjacent to either creek), or a City owned public park.

- The amount of the grant is determined by the number of units developed, plus
    - The amount of retail/office/commercial space included in a mixed-use development; and,
    - Provision of housing in targeted districts.
    - Design factors identified below.

Conditions to eligibility for any level of REV Grant:

1. In any mixed use residential or multi-family housing development not immediately adjacent to the river, McCoy's Creek, Hogan's Creek, or a City owned public park , no less than 30% of the ground level of the linear street frontage shall be activated space such as retail, office use, leasing offices, fitness centers for tenants, etc.
2. The ground level of any structured parking garage associated with such project must be wrapped with a) residential units, or b) commercial space facing and accessible from the street except at points of entry and exit.
3. Applicant must commit to a minimum private capital investment based on projected development costs as finalized in negotiation with the DIA.
    a. Any deviation below the minimum will result in a pro rata reduction of the Maximum REV payable over the term
    b. Any reduction of 10% or greater will result in forfeiture of the REV

REV Grant Factors: The precise REV Grant size will be determined by the following factors:

- 5% for every 10 units produced in Downtown Jacksonville with a~~n~~ ~~average~~ minimum average size of 500 square feet and a minimum density of 75 units/acre in the Cathedral District and 100 units/acre elsewhere. (maximum of 25%); *plus,*
- Up to 15% for the development of City-owned lazy / underutilized assets (maximum amount only if purchased at appraised market value without other incentives); *plus,*
- 10% for each 2,500 square feet of ground level restaurant or retail space or balcony/rooftop restaurant/bar accessible by the public directly from the street (maximum 25%); plus
- 5% for each 2,500 square feet of ground level office/commercial space made available for lease to an unrelated third party and accessible by the public directly from the street (maximum of 15%); *plus,*
- Up to 10% for enhanced design and quality including unique architectural features and materials in the subject residential building(s) or any visible portion of an associated structured parking garage, or both, beyond minimum compliance with DDRB standards (to qualify for this factor, conceptual plans including exterior materials, must have received DDRB approval) *plus,*
- Up to 15% for the provision or utilization of shared use parking.
    - 1% shall be available for each percent of new surface parking spaces or parking structure spaces at grade or on the ground floor that are dedicated to public use at all times.

- 5% shall be available for every 25 spaces made available on site for shared parking by off-site primary users.
- 5% shall be available for every 25 spaces serving the residential development that are secured through off-site shared use arrangements. (maximum of 15%); *plus*

- 5% for every 10 units provided in adherence to HUD maximum rent established and maintained at the 80% AMI level and/or enhanced ADA accessibility (maximum of 10%); *plus,*
- 10% for each occupiable floor above seven (excluding any basement) when developing in the Central Core or Sports and Entertainment (maximum of 30%); *plus,*
- 5% for every 25 units produced in Cathedral, LaVilla or Central Core districts (maximum of 25%); *plus*
- 10% for a project of not less than 50 units located in Cathedral or LaVilla District; *plus*
- Up to 10% for resiliency through on or more of the following:
    - Resilient Building Design – Up to 5% for utilization of resilient building techniques, such as use of flood-proof materials on first floor/subsurface elements, elevation of critical assets (HVAC, generators, utility boxes, etc.) to above the first floor, and use of reflective materials on the roof to create a “cool roof”
    - Resilient Landscaping – Up to 5% for designing landscaping around residential building to address flooding and heat, including installation of catchment systems, bioswales or green infrastructure that can capture the first 1.5 inches of stormwater on-site or increasing tree canopy to twice the amount pre-construction

Grant Process:

1. The DIA staff would take the application from the prospective grantee, and make a recommendation based upon the DIA Multifamily Housing REV Grant program criteria above;
2. The DIA Board would evaluate the staff recommendation and reject or adopt a resolution approving a grant amount and time frame to be documented by a Redevelopment Agreement agreed to by the Applicant and executed by the Applicant and DIA.
3. City Council approval is not required for REV grants which comply with this program and DIA action is final.
4. No Multifamily Housing REV grant utilizing CRA resources shall be authorized by the Board if it exceeds the term, amount determined pursuant to the criteria above, or otherwise fails to meet the program criteria described above.
5. ~~4.~~ Each recipient of a DIA Multifamily Housing REV Grant must agree to promote Downtown activities and events organized by the City to its residents using electronic or static bulletin boards, newsletters, emails, and/or other standardized methods of internal communication.

DIA Affordable Housing Support Loan

The Downtown Investment Authority ("DIA") has a vested interest in facilitating housing development that meets the needs of workers in the Downtown area covering a wide range of income levels. The DIA includes "Improving the breadth and diversity of housing options across Downtown to provide all types and varied price ranges of rental and owner-occupied opportunities, including mixed-income and mixed-use structures" among its strategic objectives in meeting its goals.

A principal approach to fulfilling this strategic objective will be found in making available the Affordable Housing Support Loan. Such funding shall be used in conjunction with a Notice of Funding Availability ("NOFA") issued by the Jacksonville Housing Finance Authority ("JHFA") in further coordination with the Florida Housing Finance Corporation ("FHFC") where the Local Government Areas of Opportunity Designation ("Designation") is a structural consideration within the FHFC Request for Application ("RFA").

In these situations, the FHFC issues a competitive RFA wherein the Local Government Areas of Opportunity Designation benefits the score of an applicant, but only one such Designation may typically be submitted from any County or local jurisdiction designated as eligible under the RFA. The competition for the Designation within Duval County is managed and awarded by the JHFA which issues a NOFA to open the opportunity for Designation to applicants under a competitive process with a single recipient of the Designation chosen by the JHFA Board. Submissions under the NOFA may include applications from affordable housing developers proposing developments meeting the FHFC criteria anywhere within Duval County.

The strategic objective of the DIA related to the creation of housing at varied price levels is served by offering the Affordable Housing Support Loan which may then be helpful in a developer's application to the JHFA in its NOFA that will determine the assignment of the Designation as prescribed in the FHFC RFA. However, application and approval of a Affordable Housing Support Loan by the DIA is not competitive and more than one recipient may be granted such approval in any given year subject to the eligibility guidelines identified below.

Program Structure

The unique nature of the Affordable Housing Support Loan program will follow the structural outline presented below:

1. Multiple eligible applicants may apply for and receive approval for funding in a given year under the Affordable Housing Support Loan program; however, further selection for Designation by the JHFA under its NOFA, and approval by the FHFC under its RFA shall be a condition for closing on any approval made by the DIA Board.
2. Should the FHFC RFA and the JHFA NOFA allow for more than one Designation in any year and approvals under the Affordable Housing Support Loan program are given to two or more applicants, subject to available funding, the DIA funding commitment will be provided to applicants in the order of their scores as determined by the JHFC Board.

3. Funding under the Affordable Housing Support Loan shall be made from the Downtown Economic Development Fund Loans balance or the applicable CRA.
4. The principal amount of, repayment requirements, maturity, interest rate, collateral interests, and other terms of the Affordable Housing Support Loan shall materially mirror the requirements of the FHFC RFA. Once an Affordable Housing Support Loan is approved for a development, it may not be replaced by funding under any other DIA program.
~~4.~~5. ~~Eligibility under this program~~Program funding may be rescinded in any year where the DIA does not approve of the terms and structure as outlined in the FHFC RFA.
~~5.~~6. Any approval under this program will automatically terminate if the Developer is not selected for Designation by the JHFA in the year in which the DIA approval was granted.
~~6.~~7. Maximum funding under the DIA Affordable Housing Support Loan for a single project shall not exceed $700,000 based on a demonstrated funding gap, and the~~The~~ minimum ROI ~~for funding under the Affordable Housing Support Loan program~~ shall be 0.50X as calculated over a 20-year timeline.

Eligibility Guidelines

In order to be eligible for any Affordable Housing Support Loan, the following minimum requirements must be met:

1. The Developer/Applicant shall meet the minimum eligibility criteria as set forth in the JHFA NOFA and the FHFC RFA.
2. The Developer/Applicant must ~~have the intention of applying~~also make application to the JHFA under its NOFA that will determine the Local Government Areas of Opportunity Designation as further defined by the FHFC in a given year. If the name of the Designation as defined by FHFC shall change in any year, this program shall then adopt the new name for such Designation that provides bonus points in the scoring rubric.
3. Only applications made for an affordable housing, or mixed-income housing development to be constructed on non-riverfront or non-creek front properties within the Northbank or Southbank boundaries of the DIA will be considered.
4. Development applications that remove the subject property from the property tax rolls shall not be eligible for funding.
5. All development work and design features must comply with all applicable city codes, ordinances, the established Downtown Development Review Board Guidelines and the Downtown Zoning Overlay without waiver.
~~3.~~6. Each recipient of a DIA Multifamily Housing REV Grant must agree to promote Downtown activities and events organized by the City to its residents using electronic or static bulletin boards, newsletters, emails, and/or other standardized methods of internal communication.

DIA Small Scale Multi-Family Housing Grant

This program is designed to encourage smaller multifamily residential development projects within Downtown to accelerate development activity, achieve the Downtown population goals established by the CRA and fill the economic gap that exists between achievable rents/NOI and development costs. In the case of this program, the gap has been pre-determined on a neighborhood or district basis and current and projected rent-growth, eliminating the need for a financial gap analysis of individual projects that comply with the criteria below. This program may not be used in combination with the Multi-Family Housing REV grant program or DPRP but may be used in combination with FAB-REP or Retail Enhancement for ground floor activation within the project, and in conjunction with the Façade Grant Program where available. However, under no circumstance is any cost or expense eligible for reimbursement under more than one program.

- The amount of the grant is determined by the number of units developed, plus
  - Provision of housing in targeted districts.
  - Design factors identified below.
- Program eligibility: To be eligible for the program the development must develop at least 4, but no more than 16, new multi-family rental or condominium housing units in Downtown Jacksonville of at least an average size of 500 square feet.
  - The DIA will confirm compliance with the eligibility requirements and additional commitments made by the Developer upon completion, and also through additional monitoring as needed.

Program Parameters

The Small Scale MF Grant amount per unit shall not exceed $15,000 payable upon completion of the project unless at least 20% of the units are 1,000 square feet or greater and configured for 2 or more bedrooms, in which case the maximum for the larger qualifying units will increase to $18,000 per such unit. The actual grant award amount will be determined by the following factors:

- To qualify for the Grant, any on-site parking associated with such project must be situated behind the housing structure, unless otherwise approved by exception.
- $12,000/unit for a project of not less than 4 units located in Cathedral or LaVilla District (units may be scattered site, so long as they are developed and placed into service simultaneously or as otherwise agreed by the DIA) *plus,*
- $10,000/unit for a project of not less than 4 units located in the Central Core or Church District; or between Park Street and McCoys Creek in the Brooklyn District *plus,*
- $8,000/unit for a project of not less than 4 units located in the Southbank District between Prudential Drive and the southern district boundary *plus,*
- Up to $2,000/unit for the development of City-owned lazy / underutilized assets (maximum amount only if purchased at appraised market value without other incentives); *plus,*
- $1,000/unit for each 2,500 square feet of ground level retail/office/commercial space or balcony or rooftop restaurant/bar accessible by the public directly from the street provided by the project (not to exceed $2,000/unit); *plus,*

- Up to $2,000/unit for enhanced design and quality including unique architectural features and materials in the subject residential building(s) or any visible portion of an associated structured parking garage, or both, beyond minimum compliance with DDRB standards (to qualify for this factor, conceptual plans including exterior materials, must have received DDRB approval) *plus,*
- $1,000/unit for every 2 units provided in adherence to HUD maximum rent established and maintained at the 80% AMI level for a period of not less than 10 years and/or enhanced ADA accessibility (not to exceed 50% of total units and may require the recording of a Land Use Restrictive Agreement).

Conditions of Eligibility for the Small Scale MF Grant

- Developers or Investors must demonstrate the financial capacity and requisite experience of having successfully developed similar product types.
- All work must be completed by general contractors, subcontractors, or others with the relevant licensing and insurance for work being performed.
- All construction, landscaping, and parking as may be provided on the property must comply with provisions as found in the Jacksonville Ordinances, Subpart H. - Downtown Overlay Zone And Downtown District Regulations, which may require further approvals by the Downtown Development Review Board.
- For any properties adjacent to McCoy's Creek or Hogan's Creek, Developer must provide at no cost to the City, the requisite set-back and a permanent easement for public access for the trail system as contemplated by the Downtown Zoning Overlay.

Grant Process

1. The DIA staff would take the application from the prospective grantee, and make a recommendation to the DIA Board based upon the Small-Scale Multi-Family Housing Grant Factors;
2. The DIA Board would evaluate the staff recommendation and reject or adopt a resolution approving a grant amount and Performance Schedule to be documented by a Redevelopment Agreement agreed to by the Applicant and executed by the Applicant and DIA.
3. Subject to the availability of lawfully appropriated program funding, City Council approval is not required for grants which comply with this program and DIA action is final.

Revised Exhibit 1 to Ordinance 2020-0527 (as further revised 1/12/22)
Downtown Preservation and Revitalization Program Guidelines

The intent of the Downtown Preservation and Revitalization Program (the "DPRP") is to foster the preservation and revitalization of unoccupied, underutilized, and/or deteriorating historic, and qualified non-historic, buildings located in downtown Jacksonville. This program is designed to serve historic projects applying for in excess of $100,000, and non-historic code compliance projects.

Development projects eligible for this program will be those deemed to promote the following downtown Community Redevelopment Area Goals:

Redevelopment Goal No. 1: Reinforce Downtown as the City's unique epicenter for business, history, culture, education, and entertainment. Program specific emphasis will be placed on retail activity, food and beverage establishments, culture, and entertainment including the activation of open spaces.
Redevelopment Goal No. 2: Increase rental and owner-occupied housing downtown, targeting key demographic groups seeking a more urban lifestyle. Building on the success of growth in multi-family housing across the downtown corridor, providing additional housing units in historic buildings contributes to the unique residential atmosphere of our City and the opportunity to maximize Jacksonville's historic attributes.
Performance Measures of the City of Jacksonville's Downtown Investment Authority (DIA).

Such developments are considered particularly impactful meaning that their completion is expected to provide the highest level of interest and benefits for residents and visitors to the City, and the greatest impact on creating further demand for surrounding properties thereby stimulating additional investment in development and redevelopment activity.

Single-user, multi-tenant office space, or buildings without retail or public spaces will be considered eligible under this program in limited circumstances based on unique contributions made to the City and its residents such as healthcare providers, financial services, regional or nationally known owners or principal tenants that provide employment in Downtown Jacksonville.

The DPRP has three general components for which funding will be considered:

1. **Historic Preservation Restoration and Rehabilitation Forgivable Loan ("HPRR Forgivable Loan")**
2. **Code Compliance Renovations Forgivable Loan ("CCR Forgivable Loan")**
3. **Downtown Preservation and Revitalization Program Deferred Principal Loan ("DPRP Deferred Principal Loan")**

The DPRP program will be administered in the form of a forgivable loan or loan and each project will require City Council approval. All funds will be disbursed upon completion of improvements subject to cost verification and other approvals as specified below.

A. General Program Requirements applicable to all proposed projects:

1. Project must be located within the DIA boundary. For this program, a project will be considered within the DIA boundary if, as of the effective date of this program, any portion of the tax parcel on which the building or buildings to be restored or renovated are located, is within the boundary of DIA.
2. Must conform to the goals and objectives of the BID and CRA Plan.
3. Applicant and/or its General Contractor, working in conjunction with the project Architect as applicable, must demonstrate significant, relevant experience and performance on projects of similar type and scale.
4. Total Development Costs ("TDC") is defined as:
   a. costs for the acquisition of eligible buildings and associated land, and;
   b. the negotiated construction costs with a qualified General Contractor; and
   c. additional soft costs typically eligible for capitalization in development activity of this type.
   d. Developer Fee is to be excluded from both Sources and Uses.
   e. The market value of property owned, and any related debt, may be included in TDC for purposes of these calculations.
5. The following limits apply to Total Development Costs unless otherwise stated (Existing property owners are also considered the Developer for these purposes):
   a. Developer equity *plus* third-party debt *plus* outside tax credit or other subsidies of not less than:
      i. 50% if Developer Equity (less Developer Fee) is > 15% of TDC; or
      ii. 60% if Developer Equity (less Developer Fee) is ≤ 15% of TDC.
   b. Developer Equity (less Developer Fee) shall be not less than 10% of TDC.
   c. COJ total capitalization from all sources not to exceed:
      i. 50% if Developer Equity (less Developer Fee) is > 15% of TDC; or
      ii. 40% if Developer Equity (less Developer Fee) is ≤ 15% of TDC; or
      iii. 25% if the property being improved does not have, nor is applying for, local landmark status (i.e. No HPRR Forgivable Loan component in the request).
   d. HPRR Forgivable Loan not to exceed 30% of TDC, as applicable.
   e. CCR Forgivable Loan not to exceed:
      i. 25% of TDC if the property does not have historic landmark status; or
      ii. 30% of TDC if the property has historical landmark status
   f. DPRP Deferred Principal Loan not to exceed 20% of TDC, as applicable.
   g. DPRP Deferred Principal Loan shall be *not less than* 20% of the aggregate gap funding requirement for any project where Developer Equity is less than 25% of TDC.
   h. Funding for the project from all other DIA programs may not exceed 10% TDC, subject to further limitations found in the guidelines for each such program.

   i. If the property is designated, or applying to become, a historic landmark, the request must exceed $100,000. (requests for $100,000 or less should proceed under the HPTRF)

6. Total Development Costs must be determined reasonable for the scope of the project utilizing third party verification where available.
7. Gap funding need must be demonstrated on all projects where the total funding request is greater than $1 million.
8. ROI must reach 0.50X minimum incorporating the following assumptions:
   i. Ad valorem real property taxes calculated on the cost basis using twenty-year time horizon from date property is projected to be placed into service.
   ii. Ad valorem property taxes on historic properties are abated for ten years from placed into service date. (*Note: Projects receiving a CCR Forgivable Loan without historic landmark status are not eligible for the property tax abatement, and the ROI will be calculated using the incremental ad valorem for the full twenty-year period*).
   iii. Tangible Personal Property tax included based on FF & E information provided by the applicant.
   iv. Local Opportunity Sales Tax and Employment based on 50% of any speculative commercial lease space and employment information provided by the applicant.
   v. Estimated interest revenue on the DPRP Deferred Principal Loan to be included as additional benefit to the City.
   vi. Where preservation and revitalization activities are being performed on a property where business operations are established, ROI will be calculated on existing ad valorem, local opportunity sales tax, and employee metrics.
9. All loan components pursuant to the Redevelopment Agreement will be secured by a subordinate-lien position on the real property behind any senior secured, third-party lender providing construction, mini-perm, or permanent financing.
10. All COJ and DIA program funding will be subject to cross-default, meaning a default under one COJ or DIA funded program or DPRP component triggers a default under outstanding funding of all COJ or DIA programs and DPRP components at such time.
11. All property, business, and income taxes must be current at the time of application and maintained in a current status during the approval process, the term of the Redevelopment Agreement and through the DPRP loan period.
12. 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 20% of any amounts amortized or prepaid prior to that date.
13. DPRP Loan funding under any component is subject to standard claw back language related to disposition of the property prior to each component's respective maturity, or similar circumstances of conversion.
14. DIA reserves the right to approve any sale, disposition of collateral property, or refinance of senior debt during the DPRP loan period.

B. Historic Preservation Restoration and Rehabilitation Forgivable Loan Component ("HPRR Forgivable Loan")

1. The building must be designated as a local historic landmark at the time of application or an application for local landmark status must be filed and pending. Application may be made for an award under the DPRP prior to final designation; however, request for funding under this component will not be approved prior to the building receiving designation as a local historic landmark.
2. 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.
3. This HPRR Forgivable Loan component may include up to:
   a. 75% of eligible costs for the Restoration or Rehabilitation of the building Exterior
   b. 75% of eligible costs for the Restoration of Historic features on the building Interior
   c. 30% of eligible costs for the Rehabilitation of the building Interior; and
   d. 20% of eligible costs for General Requirements and Overhead of the GC
4. Funding attributable to the HPRR Forgivable Loan may not exceed 30% of Total Development Cost.
5. Downtown Preservation and Revitalization Program funding in the amount of the HPRR Forgivable Loan component will be forgiven 20% per year over the first five years of the loan.
6. This funding component of the Downtown Preservation and Revitalization Program will be interest free.

C. Code Compliance Renovations Forgivable Loan Component ("CCR Forgivable Loan")

1. The building need not be designated a local historic landmark but must be a contributing structure in the National Historic District or a structure at least 50 years old and meet the applicable general program requirements above.
2. This CCR Forgivable Loan component may include up to:
   a. 75% of eligible costs for bringing the property up to levels as required for Code Compliance or related fire and safety requirements.
   b. Cost of environmental remediation or abatement on the property or within the building, such as asbestos removal, as included in Total Development Cost, may be included as well as new code requirements.
3. If a building is historically designated with local landmark status and therefore exempt from certain code compliance requirements, the cost of any elective renovations may not be included in this section.

4. If a building is historically designated with local landmark status, 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.
5. If a building is historically designated with local landmark status, the scope of Building and Fire Code Improvement work must use the Downtown Historic Building Code Matrix and be approved by the Building Inspection Division of the Public Works Department and the Fire Marshall.
6. If a building is not historically designated but is a contributing structure in the National Historic District, plans must be reviewed and approved by COJ PDD to ensure that no work included in the application would render the building ineligible for local landmark designation. Further, the property must remain in good standing as eligible for local landmark designation during the compliance period of the DPRP.
7. If a building is neither a local landmark nor a contributing structure, but is at least 50 years old, the eligibility of code compliance expenditures will be determined by DIA with the assistance of COJ Planning.
8. Funding derived from the CCR Forgivable Loan component may not exceed 30% of the Total Development Cost when the building is a locally designated landmark.
9. Redevelopment projects where the property being improved neither has, nor is applying for, local landmark status, are only eligible for a CCR Forgivable Loan if the total scope of work of the redevelopment project is CCR eligible and no other work is contemplated. In this event, eligibility is limited to 25% of Total Development Costs. Other program requirements remain applicable, including that 20% of COJ funding must come in the form of a DPRP Deferred Principal Loan, unless waived under any other provision found in the program guidelines.
10. Downtown Preservation and Revitalization Program funding in the amount of the CCR Forgivable Loan component will be forgiven 10% per year over the ten-year life of the loan when not used in combination with an HPRR Forgivable Loan. When combined with a HPRR Forgivable Loan, both loans will be forgiven over a five-year period at 20% per year, and therefore shall be coterminous.
11. This funding component of the Downtown Preservation and Revitalization Program will be interest free.

D. Downtown Preservation and Revitalization Program Deferred Principal Loan Component ("DPRP Deferred Principal Loan")

1. The DPRP Deferred Principal Loan amount shall be determined by the gross funding gap found in the Total Development Costs with a requirement that the amount will be not less than 20% of gap funding requirement in any development plan where developer equity (net of developer fee) is less than 25% of TDC.
2. Downtown Preservation and Revitalization Program funding in the amount of the DPRP Deferred Principal Loan component will be structured as non-amortizing with a maturity of ten years from closing.

4. Although principal payments on the DPRP Deferred Principal Loan are not required on the loan prior to maturity, interest payments will be due and payable annually based on a rate of the Ten-Year Treasury Note Rate at the time of closing.
5. Partial principal reductions may be made after the fifth anniversary with no prepayment penalty; however, 50% of the loan balance must remain outstanding through the loan maturity date unless the property is sold or refinanced during that period, subject to DIA approval.
6. 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.
7. Funding derived from DPRP Deferred Principal Loan may not exceed 20% of the Total Development Costs and may not be used on a stand-alone basis.

E. Other DIA programs

Applicants for funding pursuant to this Downtown Preservation and Revitalization Program may also seek funding from DIA pursuant to the other programs for which they may qualify and choose to fund the applicable portion of redevelopment costs under the program of their choice. However, the Construction Budget provided with the each application must clearly delineate costs by the program for which application is made and no portion of a single line item cost can be considered for or qualify for partial funding under more than one program. For example, the operator of a restaurant could seek funding for build out of a restaurant while the building owner seeks funding under this DPRP program for the building exterior, interior of other spaces, and code compliance. See the separate guidelines for each program for more information.

F. Project Approval Process

For applications under the Downtown Preservation and Revitalization Program, the following apply:

1. If the total amount requested is $100,000 or less, and the property has or is seeking local historic landmark status, the Historic Preservation and Revitalization Trust Fund (“HPRTF”) Guidelines shall apply.
2. If total amount requested is more than $100,000, and the applicant is seeking funding under the HPRR Forgivable Loan component, the redevelopment agreement requires Historic Preservation Commission Landmark (Local) Recommendation, City Council Landmark Designation, Planning and Development Department Approval of Scope of Work, DIA Board Approval, and City Council approval.
3. If applicant requests funding under the CCR Forgivable Loan:
    a. In any amount, and the property does not have and is not seeking local historic landmark status, the redevelopment agreement requires Planning and Development

Department Approval of the Scope of Work, DIA Board Approval, and City Council approval; or

b. In excess of $100,000, and the property has or is seeking local historic landmark status, the redevelopment agreement requires Historic Preservation Commission Landmark (Local) Recommendation, City Council Landmark Designation, Planning and Development Department Approval of Scope of Work, DIA Board Approval, and City Council approval.

4. For any one project, the dollar amounts in all applications for loans or Forgivable Loans submitted within five years of the first HPTRF grant, or loan or Forgivable Loan approved under this program shall be aggregated to determine if the project requires City Council approval.

PRE-APPLICATION

1. A pre-application meeting will be held for all proposed developments planning to utilize the DPRP loan program. Attendees shall include the Applicant and related members of the proposed development team, members of the COJ Planning and Development Department (PDD) Historical Preservation Section staff, Downtown Development Review Board (DDRB) staff, and Downtown Investment Authority (DIA) staff, as appropriate. From this meeting, a strategy that incorporates the following steps and requirements will be formulated to include task assignments and a timeline for target dates to accomplish the application processing goals.

APPLICATION and PROCESSING

1. General

   Application and processing of historic designation, Certificate of Appropriateness approval and DPRP funding approval through the Planning and Development Department and DIA may occur simultaneously, except as provided below.

2. Landmark Designation

   Application shall be made to the Planning and Development Department (PDD) for Local Landmark designation unless the building is already a local landmark, or the program request is for a CCR loan only.

   a. The Planning and Development Department shall verify whether the building is already a local Landmark or is eligible for designation. PDD shall assist the applicant in Local Landmark Designation Procedures as needed and process any landmark designation application through the Historic Preservation Commission and City Council approval process.
   b. A staff report recommending designation and legislation regarding the same must be filed prior to any DIA action.

3. Scope of Work

a. Application shall also be made to PDD for a Certificate of Appropriateness or other approval for the scope of work to be performed on any local landmark, or for approval of any CCR work on a contributing structure in the National Historic District.
    i. Such application shall break down the work to be performed between exterior restoration and renovation work, interior restoration, interior renovation, and code compliance work.
b. The Planning and Development Department shall review applications for work to be performed on any local landmark for compliance with the United States Secretary of the Interior Standards for Restoration or Rehabilitation, and any applicable historic preservation design guidelines, and shall issue an approval, denial, or approval with conditions and comments to the DIA. PDD may rely on National Park Service determination, or process locally. In the absence of final NPS approval, a conditional approval letter may be provided to DIA identifying by category any improvements that are considered ineligible. PDD Staff conditional approval shall serve as the basis for determination of qualified eligible expenses in reviewing incentive requests and calculating the "up to" award amount, however actual disbursement of loans will be based on final COA or NPS approved eligible expenses.
c. All work on local landmarks must be consistent with United States Secretary of Interior's Standards, approved by Certificate of Appropriateness (COA) by the Historic Preservation Commission, and approved by DDRB.
d. PDD shall review applications for CCR work to be performed on contributing structures in the National Historic District to determine whether any of the proposed improvements would render the building ineligible for local landmark designation and identify the same. HPS shall issue a staff report to DIA with the results of their review and indicating whether the elimination of any particular improvements would allow the building to remain eligible for local landmark status.
e. The application for a COA or approval of the scope of work can be submitted and reviewed simultaneously with landmark designation; however, no staff report regarding scope of work will be issued to DIA prior to the filing of legislation for landmark status.
f. Any work not approved through the COA review process by the Jacksonville Historic Preservation Commission, Planning and Development Department Staff or NPS, or determined to not meet the Secretary of the Interior Standards or other design guidelines will be removed from the list of qualified eligible expenses for consideration, even if previously approved by PDD Staff Conditional Approval as described in letter b. of this section.

4. <u>DPRP Loan Approval</u>

Simultaneously, application shall be made to DIA for funding pursuant to one or more components of this DPRP. For all applications under the DPRP loan program, DIA Staff shall receive and analyze project information as outlined below:

a. Business plan to include:

i. Proposed usage of the property following completion and contribution towards the relevant DIA Redevelopment Goals and Performance Measures.
ii. Names and descriptive summary of relevant experience for all members of the development team including principals, General Contractor, architect, consultants, and others as applicable.
iii. Market analysis summary and strategy relied upon in support of the development decision.
iv. Names of tenants where lease negotiations are near completion or have been finalized. Executed leases, or those ready for execution, should be provided for consideration in ROI calculations.
v. Anticipated job creation, both direct and from commercial spaces whether existing or to be created.

b. Applications to include detailed Total Development Cost estimate for proposed acquisition and/or improvements along with sources and uses of funds, a thorough and detailed three-year pro forma financial statements (including time to stabilization), evidence of ownership or control of the subject property.
c. A detailed construction budget must be provided that reconciles to the contract with the General Contractor, and that clearly allocates costs between Restoration or Rehabilitation of the building Exterior, Restoration of Historic features on the building Interior, Rehabilitation of the building Interior, General Requirements and Overhead of the GC, and Code Compliance Renovations, as may be appropriate per the DPRP loan request being made.
d. Operating pro forma must be provided and DIA must generally agree with projected operating or rental income, operating expenses, and debt service. Market study or third-party data (CoStar or similar) will be relied upon where available.
~~e. Corporate applicants shall submit two most recent years' tax returns (if available).~~
~~f. Applications must be accompanied with a personal financial statement and the two most recent years' tax returns of principals with ownership of more than 20% of the project, the project's general partner, and/or the project's controlling member.~~
~~g.~~ e. Provide evidence that all property, business, and income taxes are current.
~~h.~~ f. Evidence of Landmark status for the subject property as outlined above or application for the same, to be submitted as appropriate for the request made.
~~i.~~ g. All code compliance work on buildings not designated local landmarks shall require review by Planning and Development Department to ensure that no contributing structure is rendered ineligible for local landmark designation by the proposed work, and shall require DDRB and DIA Board approval, and City Council approval.
~~j.~~ h. PDD staff recommendation as to eligibility of the approved scope of work on any local landmark shall be required prior to DIA board approval of any program funding, however a contingent staff report will be accepted. The level of certainty required before presentation to the DIA Board and City Council will depend on the extent to which eligible costs exceed the request.

~~k.~~i. Upon approval by the DIA Board of DPRP funding, DIA staff will negotiate a proposed Redevelopment Agreement and associated loan documents, possibly combining other sources of revenue, and file the same for approval through MBRC and City Council.

5. Following Final City Council Approval
   a. The Redevelopment Agreement will be routed for execution.
   b. All development work and design features must comply with all applicable city codes, ordinances, the established Downtown Development Review Board Guidelines and approvals, and the Downtown Zoning Overlay, without waiver.
   c. Only costs incurred following final approval may be eligible for reimbursement under the DPRP.
   ~~b.~~d. During the development process, JSEB goals and implementation will be consistent with the City JSEB Policy.
   ~~c.~~e. DIA to be provided copies of periodic inspections and/or progress reports as applicable.

6. Loan Closing/Funding Requirements
   a. The DPRP loan will be funded following review and approval of the Request for Disbursement by the Applicant following issuance of the last needed Certificate of Occupancy for the project.
   b. All work on locally designated historic landmarks must be inspected by the Planning and Development Department or designee for compliance with the approved application prior to funding.
   c. COJ PDD, and DIA jointly, or other appropriate COJ Department, will verify that paid invoices submitted for reimbursement align with the construction budget as approved, and confirm Developer's compliance with previously approved building permits, Certificate of Appropriateness ("COA"), and all Planning and Development Department and NPS approvals, as applicable.
   d. All existing liens and code violations must be cleared prior to disbursement of funds and recordation of Loan security documents.
   e. Funds will be authorized for distribution in accordance with the approved Redevelopment Agreement including evidence of all permanent funding commitments, satisfaction of all liens and waiver of claims from general contractor and subcontractors, verification that there are no delinquent property taxes or other tax obligations outstanding beyond their respective due dates, and other requirements as may be found in that agreement.

PARKING SCREENING GRANT

The “Parking Screening Grant” assists with the costs of compliance with the landscaping and screening requirements of §656.361.6.2.L for accessory and on-site surface parking facilities. “Applicants” may be the owner of record or building management entity.

Pursuant to §656.361.2.L.2(a), accessory and on-site surface parking facilities are required to come into compliance with §656.361.6.2.L, (Screening and Landscaping of Surface Parking, Trash, Storage, and Loading Areas) requirements on or before July 1, 2024. In order to encourage compliance, the Ordinance Code requires the DIA to develop a policy and consider the creation of a Parking Screening Grant to encourage early compliance.

The Parking Screening Grant:

- Is available to those Applicants whose property is deemed out of compliance, or for those properties that are in compliance but are proposing to utilize the program to enhance landscaping and hardscaping when such enhancements have been determined by the DIA Chief Executive Officer to being beneficial to the health, safety and welfare of the public (e.g., replacement of palm trees with shade trees);
- May be used for fencing, screening, landscaping, buffers, hardscaping, etc. necessary for compliance with §656.361.6.2.L for accessory and on-site surface parking facilities;
- May be used for fencing, screening, landscaping, buffers, hardscaping, etc. that does not meet the strict requirements of §656.361.6.2.L when and if the DDRB has granted a deviation from those requirements pursuant to its authority to do so;
- May not be used for those costs associated with compliance with other portions of the Ordinance Code (e.g., ADA spaces) nor may these funds be used for compliance with other Federal, state or local regulations (e.g., stormwater);
- May not be used in conjunction with the creation of a new or expansion of an existing surface parking facility, nor may they be used for commercial surface parking lots; and
- May only be used on those accessory and on-site parking facilities that have been properly permitted and, at the time they were created, were a lawful use.

In addition to the above, a Parking Screening Grant payment is predicated on:

- The Downtown Development Review Board staff having reviewed and found landscape and hardscape plans compliant with the Ordinance Code, or in those instances where an applicant is seeking a deviation from those requirements such deviation has been reviewed and approved by the Downtown Development Review Board (“DDRB”);
- A budget for this grant program has approved by the Downtown Investment Authority and funds allocated accordingly;
- All property taxes on the project site are paid and current;
- No contractor liens, no outstanding liens (other than mortgages), and no outstanding code violations at the project address at the time of application and at the time that the request for reimbursement is submitted;
- A signed Agreement for funding assistance having been executed by the Downtown Investment Authority and the Applicant prior to the commencement of any work to be covered under this program. No grants will be awarded retroactively;
- All site improvements complying with all applicable city codes and ordinances, as well as state and federal regulations (if applicable); and

- Work following the permitted or approved plans and specifications and having been completed within six months (180 calendar days) from the execution date of a Parking Screening Grant Agreement ("Agreement") unless that completion horizon has been extended by the DIA Chief Executive Officer.

If after 180 calendar days from the execution date of a Parking Screening Grant, unless extended by the DIA Chief Executive Officer, who may extend Parking Screening Grants for up to an additional 90 calendar days, the improvements are not completed:

1. The Agreement and funding will become null and void without further action by DIA;
2. The property will be subject to immediate Code Enforcement Action; and
3. The Applicant will not be eligible for another Parking Screening Grant for that property.

Parking Screening Grant Funding Tiers

Tier 1Funding: A Parking Screening Grant Agreement must have been executed on or by June 30, 2023, with all work completed pursuant to the Agreement on or by June 30, 2024. Tier 1 Funding will pay for:

- Up to seventy-five percent (75%) of the costs of materials and labor, excluding soft costs and permit costs, with a maximum award of up to $100,000, providing that an applicant has not sought a deviation from §656.361.6.2.L; or
- Up to fifty percent (50%) of the costs of materials and labor, excluding soft costs and permit costs, with a maximum award of up to $50,000 in those instances where an applicant has sought and been granted a deviation from §656.361.6.2.L by the DDRB.

Tier 2 Funding: A Parking Screening Grant Agreement executed after June 30, 2023, but before June 30, 2024, Tier 2 Funding will pay for:

- Up to fifty percent (50%) of the costs of materials and labor, excluding soft costs and permit costs, with a maximum award of up to $50,000, providing that an applicant has not sought a deviation from §656.361.6.2.L; or
- Up to twenty-five percent (25%) of the costs of materials and labor, excluding soft costs and permit costs, with a maximum award of up to $25,000 in those instances where an applicant has sought and been granted a deviation from §656.361.6.2.L by the DDRB.

Note: the requirement to come into compliance on or by July 1, 2024, cannot be extended through the execution of a Parking Screening Grant Agreement. Those properties that remain out of compliance on July 1, 2024, shall be subject to immediate Code Enforcement action.

Parking Screening Grant Agreement

The DIA is authorized under this program to create Applications, Agreements, and other forms and require information and documentation as the Chief Executive Officer deems necessary to implement this program while exercising the DIA's fiduciary responsibilities. This program and funding awards may be implemented administratively or as otherwise dictated by the DIA Board.

Mobility Fee Credit

The Downtown Investment Authority ("DIA") and the City of Jacksonville entered into a Mobility Fee Credit Contract in an amount of $32,834,388.39. Pursuant to that agreement and Chapter 55, Part 1, Section 55.018(a)(10) of the Jacksonville Code of Ordinances, the DIA is authorized to "To negotiate, assign and allocate development rights within the Central Business District, including assigning mobility fee credits pursuant to any applicable mobility fee contract."

Mobility Fee Credits ~~are used as the companion incentive to an allocation of development rights by the DIA~~may be applied as an incentive to offset Mobility Fees, or a portion thereon, associated with a new allocation of development rights and may be issued within the Central Business District.

In order to be eligible for any Mobility Fee credit, the following minimum requirements must be met:

1. The Developer shall have provided to the City, at no charge, a perpetual, minimum 25' wide, multi-use trail easement (or fee) contemplated by the Downtown Zoning Overlay for Riverwalk or creek-side trails within Downtown.
2. The developer shall have provided structured parking that conforms to the Chapter 656, Part 3, Subpart H and complied with Downtown Zoning Overlay and Downtown Design Standards for street-front activation and screening of any parking garages and/or parking lots located on the subject property.
3. The developer shall have complied with the sidewalk requirements of the Downtown Zoning Overlay and Downtown Design Standards, including the provision of additional right of way when existing right of way is inadequate.

The DIA may grant a mobility fee credit incentive equal to the value of the Developer's contributions below, will use the following considerations when determining whether to grant a Mobility Fee Credit incentive, and the amount of incentive credit to be awarded:

1. If the developer has conveyed lands either in fee or via perpetual easement for the expansion of the Pedestrian Zone or the Riverwalk or those bike/ped facilities adjacent to McCoys Creek or Hogan Creek beyond that which are enabled by the existing boundaries of the adjacent rights-of-way or City-owned parcels.

2. The project improves the transportation network through such measures as reduction in the number of existing curb cuts or driveways, utilizes joint driveways or cross access, or includes multi-model facilities, bus shelters, etc.

3. The developer includes such programs as transit pass, ride share, and other programs that focus on transportation modes other than single occupant vehicles;

4. The Developer provides or makes use of shared use parking. The Developer satisfies the goal in the Downtown Zoning Overlay that 10% of ground level or at grade parking

Commented [PG1]: We may have to make a policy judgement on this: each curb cut reduction is worth $10,000; use of joint driveways or cross access $50,000; and bus facilities or multi-modal facilities equal costs.

Commented [PG2]: Having thought about this for a minute, transit passes can be measured monetarily speaking, it's harder to measure ride share or other "programs" that may have an operational cost but not a construction or fee based cost. I still want to keep it in because these are important. Implementation wise, maybe we measure the administrative costs over the life of the project to determine value?

spaces in any new garage will be made available for public parking at all times. Lesser numbers and times will be considered proportionately. The Developer makes excess spaces in any new structured parking facility available for lease or license by users of other developments. The Developer constructs fewer spaces for the exclusive use of the development than are needed, and leases or licenses parking spaces in another existing parking facility for use by tenants of the development.

5. The developer incurs the costs of construction for such public improvements as upgraded sidewalks, pedestrian lighting, benches, shade trees, trash receptacles, artistic bicycle racks, etc. beyond the minimum required by the Downtown Overlay of Downtown Design Standards.

6. The developer has entered into an agreement with the DIA or the City to provide enhanced maintenance of the Pedestrian Zone, the Riverwalk or those bike/ped facilities adjacent to McCoys Creek or Hogan Creek;

7. Any other improvement or commitment for ongoing maintenance of a facility for the benefit of pedestrians, bicyclists, transit users, or other non-single occupant vehicle transportation users;

8. Any other improvement or commitment for ongoing maintenance of a facility that increases pedestrian or bicyclist connectivity to a park, the St. Johns river and its tributaries, or the Riverwalk; or

9. The project includes a mix of uses that includes first floor retail vertically integrated with residential, noting that office and other non-residential uses may also be incorporated providing that the project includes a residential component.

Commented [PG3]: Might be easier to just say residential mixed-use when it includes ground floor retail receives mobility fee credits.

The developer is to provide a calculated cost of the improvement, land value or maintenance. The DIA may grant a mobility fee credit incentive equal to the value of the developer's contributions above, or at DIA's discretion, in excess thereof if needed to meet the mobility fee credit requirement for the development. Although the Mobility Fee Credit incentive provided is not intended to be derived from a prescribed formula, any value of the Mobility Fee Credit granted, in excess of the improvement, land value or maintenance cost will be the portion of the incentive incorporated into a Return On Investment calculation by the DIA.

The value of each credit is determined within the Mobility Fee Credit Contract and is a function of land use x cost per vehicle mile trip x average vehicle mile trip. ~~(9.09 VMT within Downtown). Pursuant to Exhibit "B" within the Mobility Fee Credit Contract and Table L-1.B within the Future Land Use Element of the 2030 Comprehensive Plan, the Mobility Fee Credits may be applied to the following CBD Development Entitlements for Allocation, as may be amended utilizing the CBD Land Use Transportation / Trade-Off Matrix found within the Future Land Use Element of the 2030 Comprehensive Plan, as may be updated from time to time.~~

~~**Use Units Entitlements**~~

~~Retail Square Feet~~	~~4,416,520 sq. ft.~~
~~Office Square Feet~~	~~20,489,404 sq. ft.~~
~~Industrial Square Feet~~	~~1,043,163 sq. ft.~~
~~Government / Institutional Square Feet~~	~~2,336,521 sq. ft.~~
~~Community Utilities Square Feet~~	~~2,470 sq. ft.~~
~~Residential Dwelling Units~~	~~11,051 d.u.~~
~~Attractions Seats~~	~~18,166 seats~~
~~Hotel Rooms~~	~~1,282 rooms~~

DIA STOREFRONT FAÇADE GRANT PROGRAM
Guidelines

Criteria for DIA Storefront Façade Grant Program

1. **Program Purpose and Benefit**
   To provide grant funding for the improvement of storefronts, and, if applicable, second story façades, in the Downtown Jacksonville Historic District to activate the streetscape and the overall revitalization of Downtown Jacksonville. This program is focused on physical improvements to the exterior of buildings unlike the Retail Enhancement Grant program which is focused on the operating business and interior and exterior improvements required for such business operation.
   Location
   a. In the Northbank CRA, limited initially to the area identified as the Downtown Jacksonville Historic District, as designated by the National Register of Historic Places Program.
2. **Eligibility**
   a. Only storefront façades that have street frontage on a public street are eligible. "Storefront Facade" refers to the exterior façade of entire ground floor fronting the sidewalk and public street. The second story of the building may be eligible if the architectural details and construction materials of the second story are most similar to the first story when compared to the rest of the building, or if the building is only two-stories tall. "Storefronts" are not limited to open and occupied retail spaces but may include vacant spaces.
   b. 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 noncompliance).
   c. Have no outstanding liens or violations.
   d. 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 fro which the grant is sought or other similar rehabilitation grants.
   e. The DIA and the City offer several types of rehabilitation grants and forgivable loans to rehabilitate and/or improve Downtown property, including but not limited to FAB-REP Forgivable Loans, HPTF Grants, and the Storefront Façade Grants, cumulatively referred to as "Downtown Improvement Grant(s)."
      i. An applicant is limited to one Storefront Façade Grant per applicant at a time and only one Storefront Façade Grant will be awarded for a particular building's storefront façade.
      ii. An applicant may receive a REP or FAB-REP grant for business-specific improvements to a building's façade that already received a Storefront Façade Grant, provided that such improvements are not replacing or removing improvements made with the Storefront Façade Grant.

iii. An applicant cannot receive a Storefront Façade Grant for storefront improvements that already received other Downtown Property Improvement Grants for improvements to the storefront or façade.
iv. Upon the completion of a project that received a Storefront Façade Grant, the applicant may seek a subsequent Storefront Façade Grant for other eligible structures.
v. This requirement acknowledges some applicants may have multiple properties that could benefit from the façade grant program. Instead of limiting applicants to one address per year, the DIA would require the completion of a project that received a grant prior to awarding any additional façade grant(s) to the same applicant.

f. Must strive to utilize City approved JSEB's for renovation work associated with grant.
g. Must contribute to the CRA through ad valorem taxes prior to submitting the application and for 5 years following the receipt of the grant.
h. Must agree to remove any billboards when billboard lease expires and conform all nonconforming signs to the current sign code.
i. Ineligible: Including but not limited to:
   i. A structure that has already restored the entire façade.
   ii. New construction and structures built within the last 25 years.

3. Property Use

All property uses that contribute to the CRA through ad valorem taxes are eligible to apply for a Storefront Façade Grant, except that parking garages must have commercial, retail, office, or residential space(s) on the ground floor.

4. Grant Amount

a. <u>Base Amount</u>: A maximum amount of 50% of eligible costs, not to exceed:
   i. $30 per square foot of eligible storefront façade not to exceed $75,000.
   ii. For purposes of calculating the grant amount, the square footage is determined by the total area of the storefront façade to be improved with funds from the grant. (The area included in order to determine the grant amount will not be eligible for a second grant)
b. <u>Contributing Structure Boost</u>: For properties that are deemed contributing structures to the Downtown Historic District, but are not locally designated landmarks, an additional $2 per square foot up to 50% of total costs, not to exceed $75,000.
c. <u>Local Landmarks</u>: If the structure is a locally designated landmark, the applicant should consider applying for a Historic Preservation Trust Fund Grant ("HPTF") instead of a Storefront Façade Grant, since a Certificate of Appropriateness will be required for any improvements and that program has a higher cap for eligible improvements.

5. **Eligible Expenses**

a. In general, the renovation, restoration, and rehabilitation of the ground floor façade that fronts a public street, typically referred to as the "storefront." Improvements to the second story of the building may be eligible if the architectural details and construction materials of the second story are most similar to the first story when compared to the rest of the building, or if the building is only two-stories tall.

b. Painting, cleaning, staining, masonry repairs, repairing or replacing cornices, entrances, doors, windows, decorative details and awning, signage
c. Screening for parking garages (adjacent to or above an eligible storefront)
d. Landscape elements
e. Permanently affixed exterior lighting
f. Removal of non-contributing false façades
g. Replacement or reconstructive woodwork
h. Hardscape improvements that are visible from the ROW
i. Restoration of historically appropriate doors, windows, or building features
j. Removal of deteriorated portions of the façade provided the structural integrity of the building remains intact
k. Replacement or installation of signage that is in accordance with the Sign Code

6. Historic Designations/Local Landmark Limitations

a. A contributing property that is not designated as local landmark shall perform work that is compatible with the affected structure's original architectural style and character as determined by DDRB however shall not be required to adhere to historic standards. The DDRB will consider the practicality, economic feasibility, and reversibility of making certain non-historically compatible improvements, such as window and doorway replacements, other storefront rehabilitations, and signage, when considering such work.
b. Properties that are designated as local landmarks will need to comply with the guidelines and regulations of Ch. 307, Ordinance Code and receive a Certificate of Appropriateness from the Jacksonville Historic Preservation Commission or Division.

7. Grant Covenants

The Storefront Façade Grant is payable upon completion of work. The grant agreement will include covenants that the recipient:

a. Must maintain the improvements in good repair.
b. 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 on the windows, utilizing the storefront space as an art installation or exhibition, or other creative efforts to address street activation.

8. Final Design Approval

Approval of a Storefront Façade Grant Application is NOT an approval of the proposed façade improvements. Recipients of a Storefront Façade Grant shall obtain all required authorizations from the Downtown Design Review Board, the Planning and Development Department, and any other necessary department or agency prior to commencing construction. DIA Storefront Facade Grant and DDRB Applications may be processed simultaneously in order to expedite the approval process, however no application will be presented to the DIA Board for final grant approval prior to receipt of DDRB final approval.

Historic Preservation and Revitalization Trust Fund Guidelines

HPRTF Guidelines

The purpose of the Historic Preservation and Revitalization Trust Fund Guidelines ("HPRTF") is to establish the parameters for use of the Trust Fund to facilitate renovation of historically designated landmarks within the DIA boundaries (Downtown). The Trust Fund was created to foster the preservation and revitalization of unoccupied, underutilized, and/or deteriorating historic buildings located in downtown Jacksonville. The Downtown Investment Authority ("DIA") shall, in coordination with the Planning and Development Department ("PDD"), process applications for and the DIA shall administer grants awarded from the Trust Fund.

1. Only projects that apply for $100,000 or less in the aggregate are eligible for funding from the Trust Fund.
2. All DIA approvals of Trust Fund allocations are subject to the available unencumbered balance in the Trust Fund at time of award, and all grants awarded by the DIA shall encumber the related balance in the Trust Fund upon execution of a Redevelopment Agreement.
3. Projects that apply for $100,000, or less may be approved by DIA without further Council approval in compliance with the following criteria:

    a. The building must be a locally designated historic landmark at the time of application or an application for local landmark status must be filed and pending. Application may be made for a HPRTF Grant prior to final designation; however, no funds under this component will be disbursed prior to the building receiving formal designation as a local historic landmark. Any grant award will expire unless designation is obtained within 12 months of the award by the DIA.
    b. 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.
    c. Eligible expenses include up to:
        i. 75% of eligible costs for the Restoration or Rehabilitation of the building Exterior
        ii. 75% of eligible costs for the Restoration of Historic features on the building Interior
        iii. 30% of eligible costs for the Rehabilitation of the building Interior, and
        iv. 75% of eligible costs for bringing the property up to levels as required for Code Compliance or related fire and safety requirements. Environmental remediation or abatement within the building such as asbestos removal is included as well as new code requirements.
        v. 20% of the above eligible costs for General Requirements and Overhead of the GC
    d. HPRTF grants will be awarded for a five-year term and will be forgiven 20% per year over the term of the grant with a claw-back in the event of sale, transfer, or default.
    e. The HPRTF Grant will be interest free.

f. All funds will be disbursed upon completion of improvements subject to cost verification and other approvals as specified below.
g. Project must be located within the DIA boundary.
h. Must conform to the goals and objectives of the BID and CRA Plan.
i. Applicant and/or its General Contractor must demonstrate significant, relevant experience and performance on projects of similar type and scale.
j. Total Development Costs ("TDC") is defined as:
   i. costs for the acquisition of eligible buildings and associated land, and;
   ii. the negotiated construction costs with a qualified General Contractor; and
   iii. additional soft costs typically eligible for capitalization in development activity of this type.
   iv. Developer Fee is to be excluded from both Sources and Uses.
   v. The market value of property owned, and any related debt, may be included in TDC for purposes of these calculations.
k. DIA funding, including HPRTF funds, in the aggregate may not exceed 40% of Total Development Costs.
l. Developer Equity (less Developer Fee) shall be not less than 10% of TDC.
m. Total Development Costs must be determined reasonable for the scope of the project utilizing third party verification where available.
n. ROI must reach 0.50X minimum incorporating the following assumptions:
   i. Ad valorem real property taxes calculated on the cost basis using twenty-year time horizon from date property is projected to be placed into service.
   ii. Ad valorem property taxes on historic properties are abated for ten years from placed into service date.
   iii. Tangible Personal Property tax included based on FF & E information provided by the applicant
   iv. Local Opportunity Sales Tax and Employment based on 50% of any speculative commercial lease space and employment information provided by the applicant
   v. Where preservation and revitalization activities are being performed on a property where business operations are established, ROI will be calculated on existing ad valorem, local opportunity sales tax, and employee metrics.
o. All property, business, and income taxes must be current at the time of application and maintained in a current status during the approval process, the term of the Redevelopment Agreement and through the HPRTF grant period.
p. Payment defaults, bankruptcy filings, or other material defaults during the HPRTF Grant 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.
q. HPRTF funding is subject to standard claw back language related to disposition of the property within 5 years of disbursement, or similar circumstances of conversion.
r. DIA reserves the right to approve any sale, disposition of collateral property during the HPRTF Grant period.

Other DIA programs

Applicants for funding pursuant to the HPRTF Guidelines may also seek funding from DIA pursuant to the other programs for which they may qualify and choose to fund the applicable portion of redevelopment costs under the program of their choice. However, the Construction Budget provided with the each application must clearly delineate costs by the program for which application is made and no portion of a single line item cost can be considered for or qualify for partial funding under more than one program. For example, the operator of a restaurant could seek funding for build out of a restaurant while the building owner seeks funding under the HPRTF for the building exterior, interior of other spaces, and code compliance. See the separate guidelines for each program for more information.

Project Approval Process

1. If total amount requested is $100,000 or less then the redevelopment agreement requires Historic Preservation Commission Landmark (Local) Recommendation, City Council Landmark Designation, Planning and Development Department Historic Preservation Section Approval of Scope of Work, and DIA Board Approval.
2. For any one project, the dollar amounts in all applications for grants submitted within five years of the first grant approved under this program shall be aggregated to determine if the project qualifies.

PRE-APPLICATION

1. A pre-application meeting will be held for all proposed developments planning to utilize the HPRTF program. Attendees shall include the Applicant and related members of the proposed development team, members of the COJ Planning and Development Department (PDD) Historical Preservation Section staff, Downtown Development Review Board (DDRB) staff, and Downtown Investment Authority (DIA) staff, as appropriate. From this meeting, a strategy that incorporates the following steps and requirements will be formulated to include task assignments and a timeline for target dates to accomplish the application processing goals.

APPLICATION and PROCESSING

1. General
   Application and processing of historic designation, Certificate of Appropriateness approval and HPRTF funding approval through the Planning and Development Department and DIA may occur simultaneously, except as provided below.

2. Landmark Designation
   Application shall be made to the Planning and Development Department (PDD) for Local Landmark designation unless the building is already a local landmark.

a. The Planning and Development Department shall verify whether the building is already a local Landmark or is eligible for designation. PDD shall assist the applicant in Local Landmark Designation Procedures as needed and process any landmark designation application through the Historic Preservation Commission and City Council approval process.
b. A staff report recommending designation and legislation regarding the same must be filed prior to any DIA action.

3. Scope of Work
   a. Application shall also be made to PDD for a Certificate of Appropriateness or other approval for the scope of work to be performed on any local landmark.
      i. Such application shall break down the work to be performed between exterior restoration and renovation work, interior restoration, interior renovation, and code compliance work.
   b. The Planning and Development Department shall review applications for work to be performed on any local landmark for compliance with the United States Secretary of the Interior Standards for Restoration or Rehabilitation, and any applicable historic preservation design guidelines, and shall issue an approval, denial, or approval with conditions and comments to the DIA. PDD may rely on National Park Service determination, or process locally. In the absence of final NPS approval, a conditional approval letter may be provided to DIA identifying by category any improvements that are considered ineligible. PDD Staff conditional approval shall serve as the basis for determination of qualified eligible expenses in reviewing incentive requests and calculating the "up to" award amount, however actual disbursement of loans will be based on final COA or NPS approved eligible expenses.
   c. All work on local landmarks must be consistent with United States Secretary of Interior's Standards, approved by Certificate of Appropriateness (COA) by the Historic Preservation Commission, and approved by DDRB.
   d. The application for a COA or approval of the scope of work can be submitted and reviewed simultaneously with landmark designation; however, no staff report regarding scope of work will be issued to DIA prior to the filing of legislation for landmark status.
   e. Any work not approved through the COA review process by the Jacksonville Historic Preservation Commission, Planning and Development Department Staff or NPS, or determined to not meet the Secretary of the Interior Standards or other design guidelines will be removed from the list of qualified eligible expenses for consideration, even if previously approved by PDD Staff Conditional Approval as described in letter b. of this section.

4. HPRTF Grant Approval

   Simultaneously, application shall be made to DIA for funding pursuant to the HPRTF Guidelines. DIA Staff shall receive and analyze project information as outlined below:

a. Business plan to include:
    i. Proposed usage of the property following completion and contribution towards the relevant DIA Redevelopment Goals and Performance Measures.
    ii. Names and descriptive summary of relevant experience for all members of the development team including principals, General Contractor, architect, consultants, and others as applicable.
    iii. Market analysis summary and strategy relied upon in support of the development decision, unless waived by DIA.
    iv. Names of tenants where lease negotiations are near completion or have been finalized. Executed leases, or those ready for execution, should be provided for consideration in ROI calculations.
    v. Anticipated job creation, both direct and from commercial spaces whether existing or to be created.
b. Applications to include detailed Total Development Cost estimate for proposed acquisition and/or improvements along with sources and uses of funds, evidence of ownership or control of the subject property, and unless waived by DIA, a thorough and detailed three-year pro forma financial statements (including time to stabilization).
c. A detailed construction budget must be provided that reconciles to the contract with the General Contractor, and that clearly allocates costs between Restoration or Rehabilitation of the building Exterior, Restoration of Historic features on the building Interior, Rehabilitation of the building Interior, General Requirements and Overhead of the GC, and Code Compliance Renovations, as may be appropriate per the HPRTF Grant request being made.
d. Corporate applicants shall submit two most recent years' tax returns (if available).
e. Applications must be accompanied with a personal financial statement and the two most recent years' tax returns of principals with ownership of more than 20% of the project, the project's general partner, and/or the project's controlling member.
f. Provide evidence that all property, business, and income taxes are current.
g. Evidence of Landmark status for the subject property as outlined above or application for the same, to be submitted as appropriate for the request made.
h. PDD staff recommendation as to eligibility of the approved scope of work on any local landmark shall be required prior to DIA board approval of any program funding, however a contingent staff report will be accepted. The level of certainty required before presentation to the DIA Board will depend on the extent to which eligible costs exceed the request.

5. <u>Following Final DIA Approval</u>
    a. Upon approval by the DIA Board of HPRTF funding, DIA staff will negotiate a proposed Redevelopment Agreement and associated grant documents.

b. The Redevelopment Agreement will be routed for execution.
c. During the development process, JSEB goals and implementation will be consistent with the City JSEB Policy.
d. DIA to be provided copies of periodic inspections and/or progress reports as applicable.

6. <u>Closing/Funding Requirements</u>
   a. The HPRTF Grant will be funded following review and approval of the Request for Disbursement by the Applicant following issuance of the last needed Certificate of Occupancy for the project.
   b. All work on locally designated historic landmarks must be inspected by the Planning and Development Department or designee for compliance with the approved application prior to funding.
   c. COJ PDD, and DIA jointly, or other appropriate COJ Department, will verify that paid invoices submitted for reimbursement align with the construction budget as approved, and confirm Developer's compliance with previously approved building permits, Certificate of Appropriateness ("COA"), and all Planning and Development Department and NPS approvals, as applicable.
   d. All existing liens and code violations must be cleared prior to disbursement of funds and recordation of Loan security documents.
   e. Funds will be authorized for distribution in accordance with the approved Redevelopment Agreement including evidence of all permanent funding commitments, satisfaction of all liens and waiver of claims from general contractor and subcontractors, verification that there are no delinquent property taxes or other tax obligations outstanding beyond their respective due dates, and other requirements as may be found in that agreement.