

**RESOLUTION 2022-09-01**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AUTHORIZING THE FEE SIMPLE DISPOSITION OF A 1.05 ACRE PARCEL (THE “OFFICE PARCEL”) OF CITY-OWNED REAL PROPERTY WHICH WAS THE SUBJECT OF RESOLUTION 2022-06-04 AND IS AS DEPICTED ON THE SITE PLAN ATTACHED HERETO AS EXHIBIT “A” AND COMPRISING A PORTION OF THE LAND GENERALLY KNOWN AS KIDS KAMPUS LOCATED BETWEEN GATOR BOWL BOULEVARD AND THE ST. JOHNS RIVER, AND IDENTIFIED BY DUVAL COUNTY TAX PARCEL NUMBER RE# (A PORTION OF) 130572-0110 (F/K/A 130572-0100), “THE PROPERTY”; AUTHORIZING THE DISPOSITION OF THE PROPERTY AND ITS REDEVELOPMENT BY IGUANA INVESTMENTS OF FLORIDA, LLC (THE “DEVELOPER”) ON THE TERMS SET FORTH ON EXHIBIT B; AUTHORIZING THE AMENDMENT OF THE REDEVELOPMENT AGREEMENT INTO BETWEEN THE CITY, DIA AND THE DEVELOPER DATED NOVEMBER 2021, AND ANCILLARY AGREEMENTS ASSOCIATED THEREWITH ALL IN ACCORDANCE WITH THE TERMS SET FORTH ON EXHIBIT B; FINDING THAT THIS RESOLUTION FURTHERS THE BUSINESS INVESTMENT AND DEVELOPMENT (“BID”) PLAN, INCLUDING THE COMMUNITY REDEVELOPMENT AREA PLAN; AUTHORIZING THE CEO OF THE DIA TO NEGOTIATE THE REDEVELOPMENT AGREEMENTS AND ASSOCIATED DOCUMENTS; AUTHORIZING THE CEO TO INITIATE THE FILING OF LEGISLATION WITH THE CITY COUNCIL REGARDING THE SAME; AUTHORIZING THE CEO OF THE DIA TO TAKE ALL ACTION NECESSARY TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION, INCLUDING THE EXECUTION OF REDEVELOPMENT AGREEMENTS, A PURCHASE AND SALE AGREEMENT, OR FUNCTIONAL EQUIVALENTS; PROVIDING FOR AN EFFECTIVE DATE.**

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

**WHEREAS**, the City owns an approximately 1.05-acre parcel of real property which is included within a larger parcel identified by Duval County Tax Parcel Number RE# 130572-0110 (f/k/a 130572-0100); and

**WHEREAS**, Developer was previously approved under Ordinance 2021-0673-E to develop the Property as part of a broader development effort in accordance with the Site Plan, attached as **Exhibit A**; and

**WHEREAS**, the Developer has entered into a ground lease of the Property with the City and DIA for a period of 40-years with one ten-year extension, which the Developer now wishes to purchase in lieu of leasing; and

**WHEREAS**, DIA entered into negotiation with Developer regarding the terms of the fee simple disposition and redevelopment of the Property; and

**WHEREAS**, in order to determine fair value for the property pursuant to Florida Statutes Chapter 163.380(2), and as required by City of Jacksonville Code of Ordinances §122.432, the DIA engaged an appraiser to appraise the fee simple value of the Property involved in the disposition where such value was determined to be \$3,200,000 as of March 7, 2022; and

**WHEREAS**, the DIA, pursuant to Resolution 2022-06-04 authorized a 30-day notice for the solicitation of proposals pursuant to Section 163.380(3)(a), Florida Statutes, and Sections 122.434(a) and (b), Jacksonville Ordinance Code, which notice was published on June 30, 2022, and closed on August 1, 2022, without receiving any other offers other than the proposal from Developer; and

**WHEREAS**, the disposition and redevelopment of the Property in accordance with the terms set forth on Exhibit B is found to be in the best interest of the CRA; and

**WHEREAS**, the Property is located within the Combined Downtown Northbank Community Redevelopment Area ("Northbank CRA"); and

**WHEREAS**, DIA is the designated Community Redevelopment Agency for the Northbank CRA, for which a Business Investment and Development Plan, inclusive of a Community Redevelopment Plan, ("BID/CRA Plan") was adopted by Ordinance 2014-560-E as updated by 2022-0372; and

**WHEREAS**, Developer has also requested amendment (the "Amended 2021 Redevelopment Agreement") of the Redevelopment Agreement into between the City, DIA and the Developer dated November 24, 2021, (the "Original Redevelopment Agreement") and ancillary agreements associated therewith with respect to the Hotel Parcel; and

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

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

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

Planning and proposing Projects and Public facilities within Downtown; and

**WHEREAS**, the DIA finds that the proposed disposition and redevelopment proposal and the proposed Amended 2021 Redevelopment Agreement and ancillary associated agreements further the following Redevelopment Goals and Strategic Objectives found in the BID/CRA Plan:

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

- Actively pursue a minimum of 8,140 built and occupied multi-family dwelling units by 2030; and strive to induce construction of 425 multi-family dwelling units per year, on average (T/E).
- Improve the breadth and diversity of housing options across Downtown Jacksonville to provide all types and varied price ranges of rental and owner-occupied opportunities including mixed-income and mixed-use structures(T/E).
- Leverage incentive packages to include partnerships with residential development recipients to fund maintenance and programming of adjacent park spaces, and to encourage promotion Downtown Jacksonville events and activities to residents of new development
- Ensure that no incentives are provided to a Riverfront/Riverwalk frontage residential development unless the development includes a minimum 3,000 square foot waterfront restaurant accessible to the public from the riverfront.
- Ensure that no residential incentives, mobility credits or other incentives are provided to any residential development exempt from ad valorem taxes
- Maximize utilization of existing parking structures and minimize construction of new parking structures exclusively for use of single building tenants by employing tools such as shared-use parking, proximity to shared transportation, and similar programs. (T/E)
- Contribute to resiliency in the design and construction of new residential buildings and flexibility in response to changing residential demand for unit sizes, home workspaces, amenities, and future conversion of parking. (T/E)

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

- Encourage growth of outdoor dining and entertainment options, most specifically within designated food and beverage districts and on the waterfront (T/E).
- Increase the number of retail, food and beverage, and entertainment establishments that are open for business weekends and other times outside of weekday business hours (T/E).
- Pursue the addition of one or more new neighborhood restaurant/entertainment venues in each District by 2025 and a second by 2030 (T/E).
- Support expansion and growth of existing entertainment and restaurant facilities with emphasis on broadening days and hours of operation (T/E)

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

- Create and promote a consistent brand for Downtown Jacksonville that conveys a sense of excitement and within the boundary of Downtown Jacksonville foster distinct neighborhood identities that evoke a unique sense of place (T/E).
- Provide regular, routine, and accessible events and programming for Downtown Jacksonville workers, residents, and visitors. Create opportunities for licensed vendors that maximize use of parks and public spaces, including the Riverwalk. Support water recreation opportunities and vendors. Identify opportunities and supporting events that fill calendar gaps (including evenings and weekends) for a robust, year-round events calendar.
- Support the installation of public art and aesthetic and sensory enhancements, as well as wayfinding and technology throughout Downtown Jacksonville. (T/E)
- Support the expansion, renovation, and improvement of existing and creation of new, diverse civic attractions, cultural venues, theaters, and parks that provide a mix of activities and attract a broad range of demographics. (T/E)
- Work internally across city departments, as well as externally with developers and business owners, to support the inclusion of art, culture, and place-making within existing and future public improvements and private projects.
- Increase number of daily visits to Downtown Jacksonville.
- Increase the occupancy rate and ADR of Downtown Jacksonville hotels and broaden the diversity of hospitality offerings for leisure travelers, groups, and business travelers (T/E).

**Redevelopment Goal No. 5 | Improve the safety, accessibility, and wellness of Downtown Jacksonville and cleanliness and maintenance of public spaces for residents, workers, and visitors.**

- Support a clean and safe Downtown 24-7, including the work of Downtown Vision Inc.
- Expand the installation of public infrastructure that enhances safety, such as countdown timer pedestrian signals, enhanced lighting, security cameras, etc. (T/E).
- Support and enforce proper cleaning, maintenance, and repair of public spaces by assuming responsibility for maintenance of public spaces. (T/E).
- Promote safe and equitable access to all Downtown facilities by improving access to buildings and other properties, amenities, transit, events, and attractions; by eliminating obstacles; and by designing for all ages and abilities beyond code requirements. (T/E)
- Promote wellness by facilitating healthy choices for food, outdoor venues for dining and gathering, and encouraging WELL-certified buildings. (T/E)

**Redevelopment Goal | No. 6 Improve the walkability/bike-ability of Downtown and pedestrian and bicycle connectivity between Downtown and adjacent neighborhoods and the St. Johns River.**

- Improve public access to and from the St. Johns River for pedestrians and bicyclists when considering adjacent private development as well as when designing public improvements. Provide access to and from the Southbank and Northbank Riverwalk at regular intervals across adjacent riverfront parcels. (T/E)
- Optimize the design of downtown streets for pedestrians; require sidewalks of sufficient width to ensure an adequate pedestrian clear zone; reduce travel lane widths to reduce vehicle speed. Increase shade on sidewalks and in public spaces in accordance with design standards and plant shade trees wherever feasible and trees in excess of those required by code. (T/E)
- Support the creation of wide, visible dedicated bike lanes or cycle tracks on designated streets; Install and maintain interesting and safe bicycle racks in appropriate locations throughout Downtown. (T/E)
- Enforce the requirement to bring buildings forward to the existing or new sidewalk edge to create a sense of enclosure for adjacent sidewalks and streets.
- Create a compact and walkable Downtown through requiring a mixture of uses in each district so that housing, activities, retail, and other businesses are within useful walking distance, requiring buildings to have active facades at street level through a mixture of restaurants (including cafes with outdoor seating), retail, and services, and by requiring direct doorways and access to the street. Minimize blank walls and surface parking. (T/E)

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

- Ensure that the riverfront includes a variety of immersive environments, ranging from passive enjoyment of the River to active entertainment areas by balancing public and private ownership and use, and requiring activation of private riverfront developments with restaurants, shops, and attractions, all linked by the Riverwalk
- Ensure the riverfront is accessible both physically and visually for residents and visitors of all ages, abilities, and income (T/E).
- Ensure that private developments fronting the river and creeks comply with design standards that protect public access and enjoyment of the waterfront. Enforce the 50-foot (minimum) building setback, and height step-backs from the St. Johns River's water edge. Protect, enhance, and increase view corridors to the St. John's River and provide access to and from the Southside and Northbank Riverwalk at regular intervals.

- Maintain guidelines and zoning criteria for the design and orientation of buildings and improvements that take into account surrounding buildings, structures, views, public access, and waterways; design and orientation shall actively engage with the River, the Riverwalk, and riverfront. (T/E)
- Improve maintenance of all waterway access points, improve, or provide lighting and signage of access points from roadways and waterways. (T/E)
- Achieve at least one new restaurant/entertainment sites directly accessible by boat by 2025, and a minimum of three (3) by 2030. (T/E)
- Encourage active public use of the River. Create, maintain, and enhance public river access for motorized and non-motorized watercraft points. Maximize access and linkages to Downtown Jacksonville establishments and activities for boaters through floating docks, marinas, amenities that improve the safety of boaters and the boating experience.
- Promote Downtown Jacksonville as a boating destination through active marketing initiatives and inclusion of downtown ramps, docks, marinas and launch sites, and marine services, on charts and maps

**WHEREAS**, at a publicly noticed meeting held on September 15, 2022, the DIA Retail Enhancement and Property Disposition Committee (“REPD”) recommended that the DIA Board adopt Resolution 2022-09-01; and

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

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

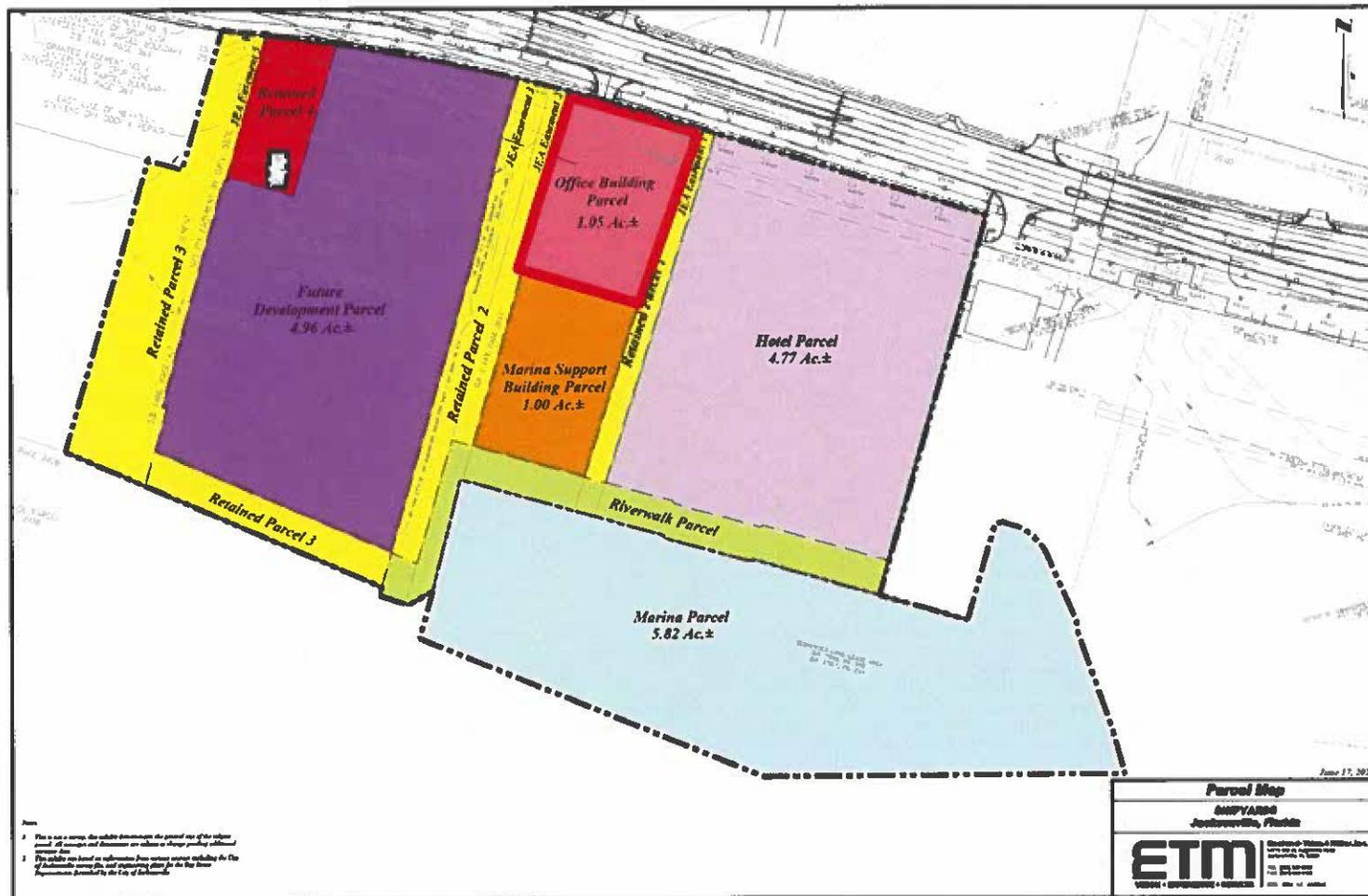
**Section 2.** The DIA instructs the Chief Executive Officer of the Downtown Investment Authority to take all necessary action necessary to negotiate a Redevelopment Agreement and associated documents for the sale of the Property to Developer as well as the Amended 2021 Redevelopment Agreement and associated documents for the Hotel Parcel recently acquired by Developer in accordance with the essential terms identified in Exhibit B.

**Section 3.** The DIA Board hereby authorizes the CEO of the Downtown Investment Authority to initiate legislation for approval by City Council of a Redevelopment Agreement for the Property, the Amended 2021 Redevelopment Agreement for the Hotel Parcel, Disbursement and Operating Agreements, and any associated agreements in accordance with the purposes of this Resolution.

**Section 4.** The DIA Board hereby authorizes the CEO of the Downtown Investment Authority to take all action necessary to effectuate the purposes of this Resolution, including the execution of a Redevelopment Agreement, Purchase and Sale Agreement, or functional equivalents, and execution of the Amended 2021 Redevelopment Agreement and associated documents providing that such actions incorporate, at a minimum, the terms and conditions contained in Exhibit ‘B’ to this Resolution 2022-09-01.



Exhibit A to Resolution 2022-09-01  
Site Plan including the Property (Bordered in Red)



**Exhibit B to Resolution 2022-09-01**

**OFFICE PARCEL:**

**CRA LAND INTERESTS TO BE CONVEYED**

1. **Office Parcel.** COJ and the Downtown Investment Authority (“DIA”) to convey to Developer fee simple title to a parcel consisting of approximately 1.05-acre parcel comprising the western portion of Kids Kampus and depicted as the Office Parcel on the survey map attached hereto as **Exhibit 1**. The Office Parcel is bounded on the north by the new proposed right of way line of Gator Bowl Boulevard, bounded on the east by the JEA Easement recorded in OR Book 11109 at page 1942 and on the west by the JEA Easement recorded in OR Book 17483 at page 2143 and is a depth of 260.00 feet as measured from the northerly boundary of the Parcel. The Office Parcel does not include any interest in riparian rights or submerged lands. At Closing, the Property will be deed-restricted
  - to preclude industrial, manufacturing, or assembly on such parcel
  - to ensure proper long-term maintenance as a Class A Office Building
  - to preclude transfer to any entity exempt from ad valorem taxation for a period of 50 years from closing.
  - to include a right of reversion as set forth herein. Conveyance of the property will be subject to property reversion requirements until such time as Developer Commences construction, as defined in the Original Redevelopment Agreement. The deed to the Office Parcel will contain a Right of Reverter in the event Developer fails to Commence the construction of the Office Improvements in accordance with the Performance Schedule. The Right of Reverter will terminate upon Commencement of construction. As a condition to the reversion, COJ will pay to Developer the purchase price for the Office Parcel that Developer originally paid to COJ. It is envisioned that Commencement will occur prior to or simultaneous with closing, eliminating the need for the Reverter and moving directly to reliance on the Developer Guaranty of Completion. Additionally, if Developer tenders the Office Parcel to COJ in clean graded condition pursuant to the terms of the Developer Guaranty of Completion, then COJ will pay to Developer the purchase price for the Office Parcel that Developer originally paid to COJ.
  
2. **Temporary Construction Easements for the benefit of the Office Parcel.**
  - COJ and DIA shall provide the Developer of the Office Parcel and the Developer of the Hotel Parcel several tri-party Temporary Construction Easements, which shall require cooperative use between the parties and not allow either benefitted party to interfere with construction of the Office Improvements, Hotel Improvements or any improvements required under the Cost Disbursement Agreements.

- The Temporary Construction Easement over the Marina Support Building Parcel shall run from the date of closing through the earlier of (a) the latest date for (i) re-opening of the Marina or (ii) opening of the Marina Support Building or (b) the opening of the Hotel Improvements to customers, whichever comes first.
- A Temporary Construction Easement over Easement 1, Easements 2 and 3 and the intervening strip, (as labeled on Exhibit 1 to this term sheet) effective from the date of closing through earlier to occur of (a) the opening of the Hotel Improvements to customers or (b) 90 days following the completion of construction for the Hotel Improvements. This TCE shall include the right to close the public access road to the Marina, but, unless otherwise approved by the City Parks, Recreation and Community Services Director or the DIA CEO, only on weekdays from the date of closing through the date on which the Marina is closed for reconstruction and thereafter during the entire period of time (i.e. any day of the week) that the Marina is closed to the public for reconstruction. The TCE may continue beyond the date on which the public access road to the Marina is required to reopen pursuant to expiration of the thirty-six (36) month Marina closure construction period, however any use beyond that reopening date shall not unreasonably interfere with public access to the Marina.
- A Temporary Construction Easement over the Retained Parcel 3, Retained Parcel 4, the Future Development Parcel (provided the condition of use of the Future Development Parcel below has been satisfied), the Riverwalk Parcel and the Marina Parcel with a term commencing at the date of closing and expiring upon the earlier to occur of (a) the opening of the Hotel Improvements to customers or (b) 90 days following the completion of construction for the Hotel Improvements. This TCE shall include the right to close the Riverwalk Parcel and Marina Parcel to the public, but, unless otherwise approved by the City Parks, Recreation and Community Services Director or the DIA CEO, only on weekdays from the date of closing through the date on which the Marina is closed for reconstruction and thereafter during the entire period of time (i.e. any day of the week) that the Marina is closed to the public for reconstruction. Notwithstanding the foregoing, the TCE over the Riverwalk Parcel and Marina Parcel shall terminate no later than the date on which the Marina and Riverwalk are required to reopen pursuant to expiration of the thirty-six (36) month Marina closure construction period.

Condition to Use of Future Development Parcel:

Jacksonville Jaguars, LLC (“Jaguars”) will release the COJ from any obligation to provide parking for the stadium on Lot H as depicted on the ASM GLOBAL map attached hereto as **Exhibit 4** and reduce the number of spaces required under the lease for the stadium currently known as TIAA Bank Field for Jaguars Operative Period and Non-Operative Period Events (as defined in that lease) for the duration of the temporary construction easement as necessary (the “Reduction Period”); provided, however that if the number of parking spaces is reduced, COJ will provide the Jaguars with an accounting and location of all available parking lots

and parking spaces and COJ and the Jaguars will agree on the number and location of parking the lots and parking spaces actually being provided to the Jaguars for parking during the Reduction Period.

3. **Crane Air Rights License.** COJ and DIA shall provide the Developer of the Office Parcel and the Developer of the Hotel Parcel with a tri-party Temporary Crane Air Rights License over Gator Bowl Boulevard, the Marina Support Building Parcel, Riverwalk Parcel, Marina Parcel, and a portion of Metropolitan Park, all as set forth on the attached map attached hereto as **Exhibit 3**, effective upon the date of closing and terminating upon the earlier to occur of (a) the opening of the Hotel Improvements to customers or (b) 90 days following the completion of construction for the Hotel Improvements. Such license shall prohibit any weight bearing loads over Gator Bowl Boulevard or Metropolitan Park and the Riverwalk and the Marina, for so long as the Riverwalk and the Marina are open to the public.

**ASSIGNMENT OF GROUND LEASE:**

Landlord's rights under the Ground Lease, including the right to receive annual rent in the amount of \$36,000/year, will be assigned to Developer at Closing.

**CONDITIONS TO CLOSING ON OFFICE PARCEL:**

1. DIA/COJ to convey the Office Parcel in as-is condition subject to easements and encumbrances of record, if any, as well as any encumbrances known to Developer or disclosed by survey. Developer has previously completed its due diligence prior to execution of the Ground Lease and no additional due diligence period will be provided. DIA/COJ to provide title affidavits consistent with those provided to Developer at the June 10, 2022, closing for the Hotel Parcel.

**COMPENSATION PAID TO DIA/COJ FOR OFFICE PARCEL**

1. Fee simple purchase price for Office Parcel at the March 7, 2022, appraised value of \$3,200,000 payable in full at closing. A subsequent appraisal as of June 5, 2022, reflects a current fair market value of \$3,430,000. After consultation with the appraiser, it is his belief that the June value is still correct. As a result, the difference between the two values will be treated as an incentive contribution.

**DEVELOPER OBLIGATIONS OFFICE PARCEL**

1. On the Property, Developer shall design and construct the office improvements ("Office Improvements") to include the following requirements:
  - i) A Class A office building with approximately 157,027 gross square feet (but not less than 141,300 square feet) to include leasable spaces, terraces, ground floor and common spaces, mechanical room space (including rooftop mechanical). Approximately 99,000 (but no less than 90,000 square feet) shall consist of leasable

office space, and approximately 10,000 (but no less than 9,000) square feet retail/amenity/activated space (the "Office Building") as conceptually depicted on Exhibit 2.

- ii) The ground floor of the Office Building shall be constructed so that a minimum of 50% of those facades fronting Gator Bowl Boulevard and the Marina Support Building Parcel are businesses open to the general public. A majority of such space shall be retail space as defined herein. As used herein retail shall include businesses that sell products on a transactional basis to end consumers, food and beverage establishments, or providers of services targeted towards the general public, including retail establishment(s) associated with the Jacksonville Jaguars and its related entities that provide retail services and goods such as ticket sales, team paraphernalia and other similar uses, (other than healthcare, advising, or counseling; provided, such exclusion shall not prohibit a gym, spa, or other amenity). Locations should be ground floor, street or marina facing, and designed to attract the general public onto the property. Businesses, other than a gym or spa, operating primarily or exclusively on a membership basis, conducting business with customers under term arrangements, or providing goods and services targeted principally to other businesses shall not generally meet this definition, unless otherwise set forth herein and/or approved on a case-by-case basis.
  - iii) The DIA Board shall have the discretion to permit deviation below the stated minimums in an amount not to exceed 10% in each instance provided such reduction does not result in reduction in the Minimum Private Capital Investment nor a per unit or per square foot cost that exceeds the reasonable value limits used in underwriting.
2. Minimum Private Capital Investment for the Office Building: \$53.05 million, including Direct Cost of \$43,015,000 (which excludes land, soft costs and tangible personal property as identified in the underwriting).
  3. Any improvements constructed on the Office Parcel shall comply with the Downtown Zoning Overlay and be subject to DDRB approval.
  4. Upon release of the right of reversion and Commencement of construction of the Office Improvements, Developer shall provide DIA/COJ with a completion guaranty ensuring completion of the Office Improvements. The completion guaranty in favor of DIA/COJ shall be subordinate to any completion guaranty provided to Developer's lender, if any. The existing completion guaranty related to the Office Parcel provided at the June 10, 2022, closing for the Hotel Parcel will be terminated and replaced with the completion guaranty described in this section.
  5. In the event that the multiuse path between the Office Parcel and Hotel Parcel, as designed, does not stay entirely within the limits of the City-owned easement parcels and encroaches into the Office Parcel, Developer will provide the City a nonexclusive perpetual easement for public use over the property used by the multiuse path and associated street furniture and lighting, prior to substantial completion of the Hotel Improvements.

Any improvements, including landscaping and fill, installed on Easements 1, 2, and 3 shall not materially obstruct the view of the river from Gator Bowl Boulevard for the width of such

easements. DIA acknowledges that DDRB has approved Application DDRB 2021-013 at its May 12, 2022, meeting, which allows a defined level of fill over the view corridor between the Office Parcel and Hotel Parcel.

**OFFICE IMPROVEMENTS PERFORMANCE SCHEDULE**

1. The following Performance Schedule milestones (“Milestones”) shall be included in the RDA for all Improvements to be constructed on the Office Parcel:

|                                  |  |
|----------------------------------|--|
| RDA EXECUTION:                   | within thirty (30) days following the effective date of legislation authorizing the RDA and sale of City property. |
| FEE CLOSINGS                     | “as is” sale to be completed simultaneous with execution of the RDA.   |
| FINAL DDRB APPROVAL              | has been obtained prior to the date of the Resolution  |
| INITIAL PERMITTING               | permits necessary to commence horizontal construction shall be obtained on or before November 30, 2022             |
| COMMENCE HORIZONTAL CONSTRUCTION | to start by December 31, 2022; and proceed without material delay to commencement of vertical improvements.        |
| COMMENCE VERTICAL CONSTRUCTION   | to commence no later than June 1, 2024; and proceed without material delay to completion                           |
| COMPLETION OF CONSTRUCTION       | All improvements on the Office Parcel and Easements to be substantially completed no later than June 30, 2026.     |

The forgoing Milestones are subject to a day for day extension if by the applicable deadline, (a) all cable located under the service road running through the Office Parcel and Hotel Parcel adjacent to Gator Bowl Boulevard including, but not limited to the Unity Fiber cable and the Comcast cable, have not been removed and relocated and (b) Developer has not been provided access to the lay down area subject to satisfaction of the parking obligation release.

**COJ AND DIA OBLIGATIONS TO DEVELOPER**

1. DIA/COJ to convey the Office Parcel, with an appraised fee simple value of \$3,200,000, in as-is condition subject to easements and encumbrances of record, if any, as well as any encumbrances known to Developer or disclosed by survey.
2. COJ to remove and relocate the Unity Fiber conduit from the Office Parcel and any other known utilities disclosed by survey or permitted by the City prior to closing. Comcast has obtained a permit to remove and relocate its line crossing the Office Parcel. COJ will assist the Office Developer and Hotel Developer to cause any other utility companies to relocate any other unknown utilities crossing the Office Parcel or Hotel Parcel. This condition can be waived by the Developer in its sole discretion.
3. Transfer the allocation of 165,000 square feet of office and 11,000 square feet of commercial/retail from the Original Redevelopment Agreement to the new Office Redevelopment Agreement and allow the Developer to convert the Office Parcel Development Rights to Retail Development Rights for the Office Building on a per square foot basis.
4. If Developer fails to Commence construction on Office Parcel by June 1, 2024, then any unused development rights allocated to Office Parcel revert to DIA.
5. COJ acknowledges that Developer is seeking JTA and FDOT approval of two signalized intersections along Gator Bowl Boulevard to provide access to the Hotel Parcel and Office Parcel, and COJ will not oppose such request but shall not be obligated to modify other project designs or access points to facilitate such request.

#### **DIRECT INCENTIVES TO DEVELOPER**

1. DIA/COJ to convey Office Parcel, with an appraised value of \$3,430,000, to Developer for \$3,200,000.
2. DIA to provide non-exclusive easements to Developer of the Office Parcel over Easement 1 and the parcel which will include Easements 2 and 3 and the intervening strip of land which have an appraised value of \$191,000 at no charge.
3. DIA to provide a 75% REV Grant for privately owned property on Office Parcel for a term or twenty (20) years or the termination of the Northside CRA whichever occurs first, unless COJ agrees to assume the obligations of the Northside CRA. The maximum indebtedness shall be calculated based on the projected assessed value using agreed upon private capital investment construction cost values Total Project Cost. Any reduction in actual construction cost that is 10% or less of the projected construction cost Direct Cost shall result in a pro rata reduction of the maximum indebtedness as calculated by DIA staff. The DIA Board may approve a reduction in Minimum Private Capital Investment, including Direct Cost, greater than 10% but no more than 15% with an accompanying pro rata reduction in the Rev Grant maximum indebtedness. Any reduction in actual Minimum Private Capital Investment, including Direct Cost, that is more than 15% of the agreed upon Minimum Private Capital Investment, including Direct Cost, shall result in forfeiture of the REV Grant. Based upon the project Minimum Private Capital Investment and Direct Cost,

the Rev Grant maximum indebtedness for the Office Building is EIGHT MILLION ONE HUNDRED TWENTY THOUSAND THREE HUNDRED DOLLARS (\$8,120,300).

**AMENDMENTS TO HOTEL REDEVELOPMENT AGREEMENT AND ASSOCIATED DOCUMENTS:**

**THE REDEVELOPMENT AGREEMENT AND ASSOCIATED DOCUMENTS SHALL BE AMENDED AS FOLLOWS:**

**1. SEPARATION OF AGREEMENTS.** The Original Redevelopment Agreement shall be amended to separate the development and incentives for the Hotel Improvements from the Office Improvements. The Redevelopment Agreement for the Hotel shall remain unchanged except as amended by the terms set forth herein, or as reasonably required to separate the Redevelopment Agreements.

**2. COST DISBURSEMENT AGREEMENTS.**

- a) All Cost Disbursement Agreements associated with the Original Redevelopment Agreement shall remain with the Hotel Improvements. Cost Disbursement Agreements shall be amended to provide that COJ shall reimburse Developer on a monthly basis.
- b) The Marina Cost Disbursement Agreement shall be amended to include reconstruction of the bulkhead adjacent to the Marina (the "Bulkhead") and the Marina pier as an additional project scope with an additional project budget. The Marina project scope shall include dredging. Individual budgets shall be included for each scope but cost savings from one shall be applicable to another.
- c) All election periods regarding exercise of construction of projects on behalf of the City will be eliminated and such obligations of the Developer and the applicable Cost Disbursement Agreements are fully effective upon execution of the amended RDA.
- d) The maximum reimbursable capital improvement project budgets for the Riverwalk, Marina, Bulkhead, Marina Pier, Marina Support Building and Event Lawn are as follows:

|                                      |                 |
|--------------------------------------|-----------------|
| Riverwalk:                           | \$ 4,103,135.00 |
| Marina, including dredging           | \$13,170,939.00 |
| Marina Pier:                         | \$ 8,763,506.00 |
| Bulkhead:                            | \$ 6,921,680.00 |
| Marina Support Building & Event Lawn | \$ 9,875,667.00 |

**3. TEMPORARY CONSTRUCTION EASEMENTS.** New and previously provided temporary construction easements shall be amended as required to conform to the following:

- a. COJ and DIA shall provide the Developer of the Hotel Parcel and the Developer of the Office Parcel several tri-party Temporary Construction Easements, which shall require cooperative use between the parties and not allow either benefitted party to interfere with construction of the Office Improvements, Hotel Improvements or any improvements required under the Cost Disbursement Agreements.
- b. The Temporary Construction Easement over the Marina Support Building Parcel shall run from the date of closing through the earlier of (a) the latest date for (i) re-opening of the Marina or (ii) opening of the Marina Support Building or (b) the opening of the Hotel Improvements to customers, whichever comes first.
- c. A Temporary Construction Easement over Easement 1, Easements 2 and 3 and the intervening strip, (as labeled on Exhibit 1 to this term sheet) effective from the date of closing through earlier to occur of (a) the opening of the Hotel Improvements to customers or (b) 90 days following the completion of construction for the Hotel Improvements. This TCE shall include the right to close the public access road to the Marina, but, unless otherwise approved by the City Parks, Recreation and Community Services Director or the DIA CEO, only on weekdays from the date of closing through the date on which the Marina is closed for reconstruction and thereafter during the entire period of time (i.e. any day of the week) that the Marina is closed to the public for reconstruction. The TCE may continue beyond the date on which the public access road to the Marina is required to reopen pursuant to expiration of the thirty-six (36) month Marina closure construction period, however any use beyond that reopening date shall not unreasonably interfere with public access to the Marina.
- d. A Temporary Construction Easement over the Retained Parcel 3, Retained Parcel 4, the Future Development Parcel (provided the condition of use of the Future Development Parcel below has been satisfied), the Riverwalk Parcel and the Marina Parcel with a term commencing at the date of closing and expiring upon the earlier to occur of (a) the opening of the Hotel Improvements to customers or (b) 90 days following the completion of construction for the Hotel Improvements. This TCE shall include the right to close the Riverwalk Parcel and Marina Parcel to the public, but, unless otherwise approved by the City Parks, Recreation and Community Services Director or the DIA CEO, only on weekdays from the date of closing through the date on which the Marina is closed for reconstruction and thereafter during the entire period of time (i.e. any day of the week) that the Marina is closed to the public for reconstruction. Notwithstanding the foregoing, the TCE over the Riverwalk Parcel and Marina Parcel shall terminate no later than the date on which the Marina and Riverwalk are required to reopen pursuant to expiration of the thirty-six (36) month Marina closure construction period.

Condition to Use of Future Development Parcel:

Jacksonville Jaguars, LLC (“Jaguars”) will release the COJ from any obligation to provide parking for the stadium on Lot H as depicted on the ASM GLOBAL map attached hereto as **Exhibit 4** and reduce the number of spaces required under the lease for the stadium currently known as TIAA Bank Field for Jaguars Operative Period and Non-Operative Period Events (as defined in that lease) for the duration of the temporary construction easement as necessary (the “Reduction Period”); provided, however that if the number of parking spaces is reduced, COJ will provide the Jaguars with an accounting and location of all available parking lots and parking spaces and COJ and the Jaguars will agree on the number and location of parking the lots and parking spaces actually being provided to the Jaguars for parking during the Reduction Period.

**4. CRANE AIR RIGHTS LICENSE.** COJ and DIA shall provide the Developer of the Office Parcel and the Developer of the Hotel Parcel with a tri-party Temporary Crane Air Rights License over Gator Bowl Boulevard, the Marina Support Building Parcel, Riverwalk Parcel, Marina Parcel, and a portion of Metropolitan Park, all as set forth on the attached map attached hereto as **Exhibit 3**, effective upon the date of closing and terminating upon the earlier to occur of (a) the opening of the Hotel Improvements to customers or (b) 90 days following the completion of construction for the Hotel Improvements. Such license shall prohibit any weight bearing loads over Gator Bowl Boulevard or Metropolitan Park and the Riverwalk and the Marina, for so long as the Riverwalk and the Marina are open to the public.

**5. REVISED MINIMUM CAPITAL INVESTMENT** The Minimum Private Capital Investment for the Hotel and Residences shall be increased to \$334.552 million, (including Direct Cost of \$281,947,000 which excludes land, soft costs, and tangible personal property as identified in the underwriting).

#### **6. DIRECT INCENTIVES TO DEVELOPER**

1. Due to rising construction costs, the maximum indebtedness under the REV grant for the Hotel shall be increased from \$47,683,955 to \$50,581,200. The maximum indebtedness under the REV shall be calculated based on the projected assessed value using agreed upon Total Project Cost. Any reduction in actual construction cost that is 10% or less of the Direct Cost shall result in a pro rata reduction of the maximum indebtedness as calculated by DIA staff. The DIA Board may approve a reduction in Direct Cost greater than 10% but no more than 15% with an accompanying pro rata reduction in the Rev Grant maximum indebtedness. Any reduction in actual Direct Cost that is more than 15% of the agreed upon Direct Cost shall result in forfeiture of the REV Grant. Based upon the project Direct Cost, the Rev Grant maximum indebtedness for the Hotel Improvements is FIFTY MILLION FIVE HUNDRED EIGHTY ONE THOUSAND TWO HUNDRED DOLLARS (\$50,581,200).
2. The completion grant for the hotel shall remain \$25,834,887 however \$2.2 million of the completion grant will not be payable until the completion of both the Hotel Improvements and the Office Improvements.

**7. PERFORMANCE SCHEDULES**

1. The following Performance Schedule milestones (“Milestones”) shall be included in the RDA for all Improvements to be constructed on the Hotel Parcel:

|                                  |   |
|----------------------------------|---|
| RDA EXECUTION:                   | within thirty (30) days following the effective date of legislation authorizing the amended RDA.              |
| FEE/LEASE CLOSINGS               | Completed.  |
| FINAL DDRB APPROVAL              | has been obtained prior to the date of the Resolution   |
| INITIAL PERMITTING               | permits necessary to commence horizontal construction shall be obtained on or before November 30, 2022        |
| COMMENCE HORIZONTAL CONSTRUCTION | to start by December 31, 2022; and proceed without material delay to commencement of vertical improvements.   |
| COMMENCE VERTICAL CONSTRUCTION   | to commence no later than September 1, 2023; and proceed without material delay to completion                 |
| COMPLETION OF CONSTRUCTION       | All improvements on the Hotel Parcel and Easements to be substantially completed no later than June 30, 2026. |

The foregoing Milestones are subject to a day for day extension if by the applicable deadline, (a) all cable located under the service road running through the Office Parcel and Hotel Parcel adjacent to Gator Bowl Boulevard including, but not limited to the Unity Fiber cable and the Comcast cable, have not been removed and relocated and (b) Developer has not been provided access to the lay down area subject to satisfaction of the parking obligation release.

2. The following Performance Schedule milestones (“Milestones”) shall be included in the amended RDA for all Improvements to be constructed on Marina Support Building Parcel, Riverwalk Parcel, and Marina are modified as follows:

|   |   |
|---|---|
| ELECTION TO ENTER INTO PARTNERSHIP FOR CONSTRUCTION | All options deemed exercised and effective at time of execution of RDA for the Office Parcel. |
|---|---|

|  |  |
|--|--|
| MARINA, & RIVERWALK<br>CLOSED FOR<br>RECONSTRUCTION          | No earlier than the later of January 15, 2023, or<br>the date on which plans for reconstruction of the<br>bulkhead are approved. |
| MARINA & BULKHEAD<br>RECONSTRUCTION TO<br>COMMENCE           | Within 60 days of Marina and Riverwalk<br>Closure.   |
| RIVERWALK, BULKHEAD<br>AND MARINA COMPLETION<br>DATE         | No later than 36 months following closure of the<br>marina and riverwalk to the public   |
| MARINA SUPPORT BUILDING<br>AND EVENT LAWN<br>COMPLETION DATE | No later than the opening of the Hotel<br>Improvements to customers or June 30, 2026,<br>whichever occurs first.                 |

The forgoing Milestones are subject to a day for day extension if by the applicable deadline, (a) all cable located under the service road running through the Office Parcel and Hotel Parcel adjacent to Gator Bowl Boulevard including, but not limited to the Unity Fiber cable and the Comcast cable, have not been removed and relocated and (b) Developer has not been provided access to the lay down area subject to satisfaction of the parking obligation release.

**8. COJ REVISED EXPENSES INCURRED IN ORDER TO PERMIT  
REDEVELOPMENT OF THE HOTEL PARCEL**

1. COJ has relocated the Fire Museum (“Fire Museum”) and will complete utility connections and site work at its new location for an updated budgeted cost to the COJ of \$3,500,000.
2. COJ has removed and is obligated to relocate the Marine Fire Station and construct new dock in a timely manner (“Fire Station and Dock”) at a current budgeted cost to the COJ of \$14,000,000. The replacement cost of the new fire station, dock and replacement boathouse reflect a substantially upgraded facility from the existing facilities and the value assigned for ROI calculation is discounted by 30% to yield an ROI value of \$9,800,000.
3. Relocation of undisclosed utility lines discovered on the property at an estimated cost of \$2,859,050.

**9. City/DIA’s OBLIGATIONS AT THE CLOSING**

1. Revise the Allocation of Development Rights in the Amended 2021 Redevelopment Agreement to remove the Office Parcel Allocation of Development Rights leaving the following remaining:

185 hotel rooms

27 multi-family units and  
41,000 square feet of commercial/retail

2. If Developer fails to Commence construction on Hotel Parcel by September 1, 2023, then any unused development rights allocated to Hotel Parcel revert to DIA.
3. DIA acknowledges that DDRB has approved Application DDRB 2021-013 at its May 12, 2022, which allows a defined level of fill over the view corridor between the Office Parcel and Hotel Parcel.

#### **10. DEVELOPER OBLIGATIONS**

1. Prior to substantial completion of the Hotel Improvements, and subject to approval of JEA, if required, Developer shall construct a new access drive (“New Drive”) from Gator Bowl Boulevard to the Riverwalk Parcel over Easements 2 and 3 and the land located between such easements with a minimum of twenty (20) on-street parking spaces to provide parking for Marina patrons.

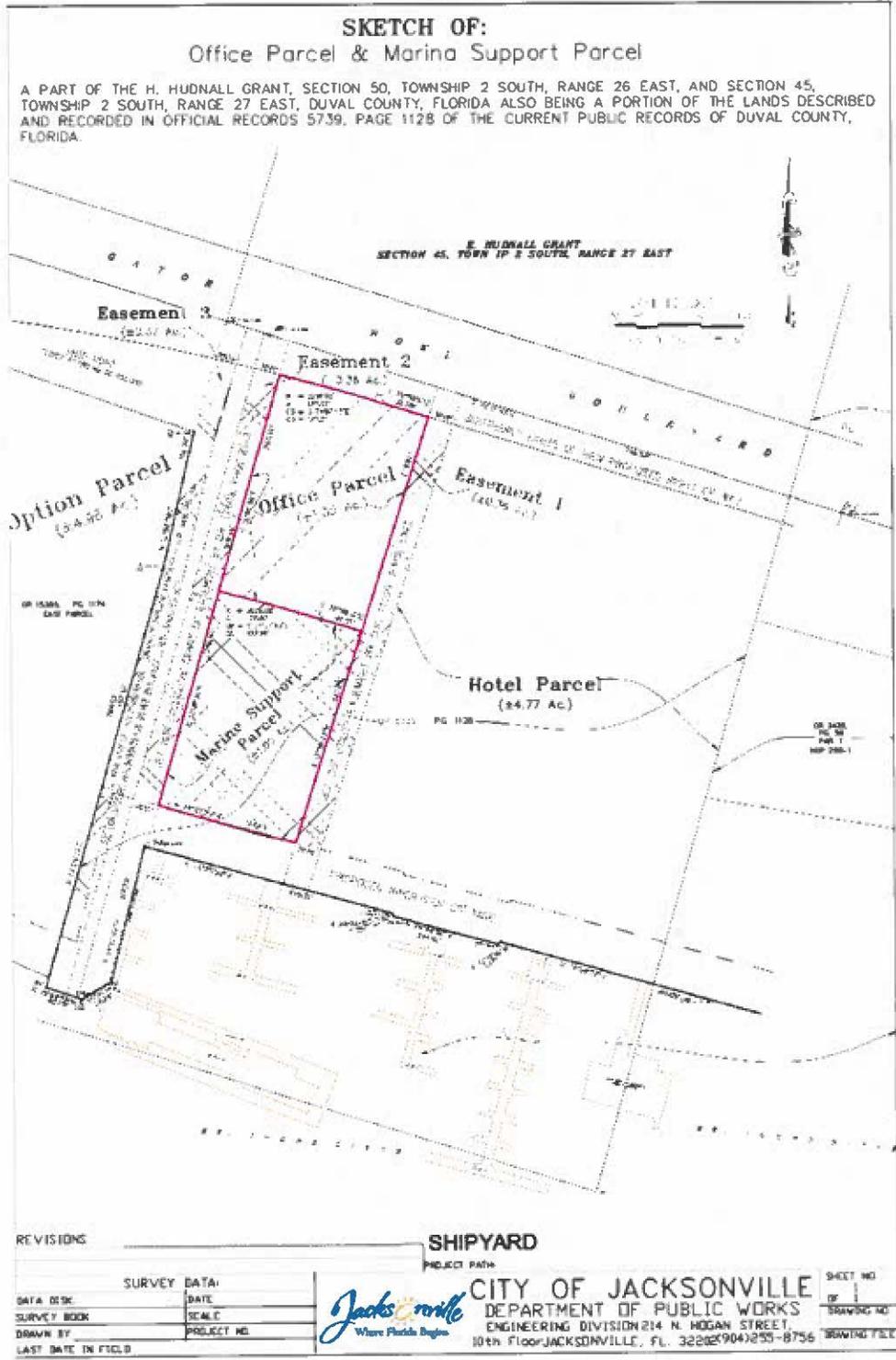
2. Prior to completion of the Hotel Improvements, but subject to approval of JEA, if required, Developer shall construct a minimum 16’ wide pedestrian and bicycle multi-use path connecting Gator Bowl Boulevard to the Riverwalk in the general location of Easement 1 (or in such other location as maybe approved by DIA) to meet the requirement of a view and access corridor between the Office Parcel and Hotel Parcel and to provide pedestrian, bicycle and motorized vehicular access for vehicles such as scooters, golf carts and electric bicycles but not street licensed automobiles, trucks, etc. between Gator Bowl Boulevard and the Riverwalk .

3. Any improvements, including landscaping and fill, installed on Easements 1, 2, and 3 shall not materially obstruct the view of the river from Gator Bowl Boulevard for the width of such easements. DIA acknowledges that DDRB has approved Application DDRB 2021-013 at its May 12, 2022, meeting, which allows a defined level of fill over the view corridor between the Office Parcel and Hotel Parcel.

4. The Hotel Developer shall provide a Temporary Easement to the City, and temporarily relocate the water line to the Marina, at such time as the Hotel Developer begins work on the Hotel Parcel that would require elimination of the current Marina service line and continuing through the date of closure of the Marina.

**11. FUTURE DEVELOPMENT PARCEL.** The deadline for Developer to exercise its right of first offer to lease or purchase the Future Development Parcel shall be June 30, 2025.

**Exhibit 1**



**Exhibit 2**



Exhibit 3

