



Downtown Investment Authority  
Strategic Implementation Committee

Tuesday, February 14, 2023 at 1 p.m.

# SIC AGENDA

Braxton Gillam, Esq., Chair  
Craig Gibbs, Esq., Committee Member

Carol Worsham, Ex Officio

Committee Members Excused: George Saoud, Committee Member

- I. CALL TO ORDER
  - II. PUBLIC COMMENTS
  - III. JANUARY 12, 2023 STRATEGIC IMPLEMENTATION COMMITTEE MEETING MINUTES APPROVAL
  - IV. RESOLUTION 2023-02-02: REGIONS DPRP LOAN
  - V. CAPITAL PROJECT IMPLEMENTATION MEMO
  - VI. PRIORITIZATION OF POTENTIAL CAPITAL PROJECTS
  - VII. OTHER MATTERS TO BE ADDED AT THE DISCRETION OF THE CHAIR
  - VIII. ADJOURN
- 

## MEETING LOCATION

### Physical Location

Jacksonville Public Library-Main Library/Downtown  
303 North Laura Street  
Multipurpose Room (located in the Conference Center)  
Jacksonville, Florida 32202

**PLEASE NOTE:** The multipurpose room will **not be accessible through the Main Street entrance**. The Main Street entrance will be closed. Please use the Laura Street entrance to enter the building.

Visitors are encouraged not to enter City owned public buildings if they have: symptoms of COVID-19, a fever of 100.4 degrees Fahrenheit or higher, are currently undergoing evaluation for COVID-19 infection, a diagnosis of COVID-19 in the prior 10 days, or have had close contact with someone infected with COVID-19 during the prior 14 days. Any member of the public entering City owned public building may choose to wear a mask inside the building.



**Downtown Investment Authority  
Strategic Implementation Committee**

**Tuesday, February 14, 2023 at 1 p.m.**

**Virtual Location**

Interested persons desiring to attend this meeting virtually can do so via Zoom (including by computer or telephone) using the following meeting access information:

**Join Zoom Meeting**

<https://us02web.zoom.us/j/82644809997?pwd=VGQ2d29qVHFoUEwrOGFIT2YxcEsyZz09>

**Meeting ID: 826 4480 9997**

**Passcode: 487848**

**One tap mobile**

+1 (312) 626-6799 (Chicago)

+1 (646) 558-8656 (New York)

Find your local number: <https://zoom.us/u/acSPRiVnGd>

**TAB IV**

**RESOLUTION 2023-02-02: REGIONS DPRP LOAN**

## RESOLUTION 2023-02-02

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) ACTING AS THE ECONOMIC DEVELOPMENT AGENCY FOR DOWNTOWN JACKSONVILLE (“GRANTOR”) APPROVING THE AWARD OF A DPRP LOAN PACKAGE TO REGIONS BANK (“GRANTEE”); AUTHORIZING THE CEO OF THE DIA TO NEGOTIATE A LOAN AGREEMENT AND RELATED SECURITY DOCUMENTS; AUTHORIZING THE DIA CEO TO EXECUTE SUCH AGREEMENTS; AND FINDING THAT THE DEVELOPMENT PLAN IS CONSISTENT WITH THE DIA’S BUSINESS INVESTMENT AND DEVELOPMENT PLAN (“BID PLAN”) AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, Regions is the owner of the building and property located at 51 W Bay Street, RE# 073663 0000, which has been designated a local historic landmark and is within the National Historic District of Downtown; and

**WHEREAS**, Ordinance 2021-0210-E was enacted by the City of Jacksonville on May 11, 2021, approving up to \$900,000 of funding for Grantee under the DIA Downtown Preservation and Revitalization Program (“DPRP”) to be drawn through not more than five stand-alone DPRP Loan Requests for expenditures eligible under DPRP guidelines; and

**WHEREAS**, on June 15, 2021, Grantor and Grantee entered into the Economic Development Agreement (“EDA”) providing the contractual terms and conditions under which funding from the DPRP approval could be drawn and providing approval authority to the DIA Board for stand-alone DPRP Loan Requests that comply with DPRP Guidelines; and

**WHEREAS**, Grantee submitted an initial request on August 22, 2022, for funding under the DPRP to rehabilitate the interior of the property in its first draw request in the Central Core District of Downtown Jacksonville; and

**WHEREAS**, the Renovation Improvements Performance Schedule, memorialized in Section 3.1 of the EDA, includes a requirement that Regions will submit its first DPRP Loan Request within 180 days from the effective date, which established the outside date for the first submission as December 12, 2021; and

**WHEREAS**, Regions submitted its first DPRP Loan Request beyond the above-mentioned time frame, which nullifies the processing of any funding requests for DPRP Loans; and

**WHEREAS**, upon further review of the terms of the EDA, including the Renovation Improvements Performance Schedule, and recognizing the benefits to the City from the rehabilitation and preservation of this historic building, the Grantor and Grantee agreed to seek approval to amend and reinstate the EDA, which requires legislative action by City Council, with such legislation recommended for approval by DIA Board Resolution 2022-11-08 and planned to be filed with City Council February 22, 2023; and

**WHEREAS**, the request brought forth for approval by this Resolution 2023-02-02, if approved by the DIA Board, may not be entered into prior to consideration and approval by the City of Jacksonville of the Ordinance that would amend and reinstate the EDA previously entered into with an Effective Date of June 15, 2021, and re-establish the authorities of the DIA found therein; and,

**WHEREAS**, the Strategic Implementation Committee of the Downtown Investment Authority (“DIA”) met on February 14, 2023, to consider the term sheet and recommendation of the Historic Preservation, Restoration, and Rehabilitation Forgivable Loan and Code Compliance Forgivable Loan in accordance with the DPRP Guidelines in accordance with the terms contained in the term sheet attached hereto as Exhibit A; and

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

**Section 1.** The DIA finds that the recitals set forth above are true and correct and are incorporated herein by this reference.

**Section 2.** The DIA instructs the Chief Executive Officer of the Downtown Investment Authority to take all necessary actions to effectuate the purposes of this Resolution, subject only to the prior approval by the City of Jacksonville of the amended and reinstated EDA and execution of the amended and reinstated EDA by the Grantor and the Grantee prior to entering into the loan documents approved by this Resolution 2023-02-02.

**Section 3.** The Chief Executive Officer is hereby authorized to execute the contracts and documents and otherwise take all necessary action in connection therewith to effectuate the purposes of this Resolution, and to provide funding of up to \$149,760 pursuant to the Downtown Historic Preservation and Revitalization Program guidelines from funds appropriated by City Council, in accordance with the terms set forth on the term sheet attached hereto as Exhibit A.

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

**WITNESS:** **DOWNTOWN INVESTMENT AUTHORITY**

\_\_\_\_\_

\_\_\_\_\_  
Carol Worsham, Chairman

\_\_\_\_\_  
Date

VOTE: In Favor: \_\_\_\_\_ Opposed: \_\_\_\_\_ Abstained: \_\_\_\_\_

**Exhibit A:**

**DOWNTOWN PRESERVATION AND REVITALIZATION PROGRAM  
LOAN REQUEST #1  
TERM SHEET**

**REGIONS BANK  
51 W Bay Street, Jacksonville, FL 32202**

**Project:** This term sheet provides the terms and conditions of the first advance on the Regions Downtown Preservation and Revitalization Program (“DPRP”) as originally approved by Ordinance 2021-0210-E and as amended and restated by Ordinance 2023-XXX.

The building being rehabilitated, known as the historic “Old Bisbee Building,” located at 51 W. Bay Street, RE# 073663 0000, is a historic two-story building originally constructed in 1909. Upon completion of the first phase, the building will provide ADA-compliant ingress/egress directly into the adjacent VyStar garage, an ADA chair lift, and various improvements to plumbing and electrical systems.

**Developer/ Applicant / Borrower:** Regions Bank

**Total Development Costs (estimate):** \$1,834,037

**Total Construction Costs (estimate):** \$401,037

**City Funding:** No more than **\$149,760** (through the City of Jacksonville Downtown Investment Authority), as follows:

	<b>Historic Preservation, Restoration, and Rehabilitation Forgivable Loan (HPRR)</b>	<b>Code Compliance Forgivable Loan (CCR)</b>	<b>DPRP Deferred Principal Loan</b>	<b>TOTAL</b>
<b>TOTAL</b>	<b>\$38,970</b>	<b>\$110,790</b>	<b>N/A</b>	<b>\$149,760</b>

Approval of the incentive structure and funding under the DPRP is delegated to the DIA Board under Ordinance 2021-0210-E, and as amended and restated by Ordinance 2023-XXX and is not subject to further approvals by the Jacksonville City Council.

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

**Budget.** The construction budget reviewed and approved by DIA staff (which excludes Architectural and Engineering fees and project management costs) in the total amount of THREE HUNDRED AND THREE THOUSAND EIGHT HUNDRED FIFTY-NINE AND NO/100 DOLLARS in each of the funding categories (each, a “Funding Category”) and in the minimum amounts (each a “Funding Category Minimum”) as set forth in the table below:

<b>Funding Category</b>	<b>Funding Category Minimum</b>
Interior Rehabilitation	\$ 90,172
Interior Restoration	\$ 0
Exterior	\$ 0
Code Compliance	\$ 147,719
General Requirements/Other	\$ 59,610
N/A <sup>1</sup>	\$ 33,358
<b>Total Budget Amount:</b>	<b>\$ 330,859</b>

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

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

- (i) Minimum Eligible Construction Costs incurred of TWO HUNDRED NINETY-SEVEN THOUSAND FIVE HUNDRED ONE AND NO/100 DOLLARS (\$297,501), calculated as the Total Budget Amount less costs classified as “N/A” (the “Minimum Eligible Construction Costs”), and
- (ii) Construction Costs incurred of at least the Funding Category Minimum with respect to each Funding Category.

**Funding Eligibility:**

Notwithstanding the foregoing,

- 1) To be eligible for maximum commitment of \$900,000 in forgivable loans under the DPRP, Regions shall incur not less than \$2,633,000 in Total Development Costs (as defined in the DPRP Guidelines) to preserve and rehabilitate the Property (collectively, the "Improvements"), it being understood and agreed that the tax assessed value of the Property (\$1,433,000.00) shall be included towards the required Total Development Costs. However, minimum funding levels will ultimately be determined by the mix of funding components and the related advance rates as outlined in the DPRP Guidelines.
- 2) The required Minimum Eligible Construction Costs of \$297,501 may be reduced by a maximum of ten percent (10%) overall, as approved by the DIA Staff in its sole and

absolute discretion, without affecting the Borrower's eligibility for funding under the DPRP.

- 3) Any Funding Category Minimum may be reduced by a maximum of ten percent (10%) on a stand-alone basis, as approved by DIA Staff in its sole and absolute discretion, provided that, in such event, there shall be a pro rata reduction in the applicable DPRP Loan(s), as required. Eligibility for funding under any Funding Category shall be eliminated if the corresponding Funding Category Minimum is reduced by more than fifteen percent (10%), and eligibility for funding under the remaining Funding Categories shall remain in place unless it has been determined that material components of the rehabilitation have not been met as determined by DIA and HPS staff, in their sole discretion.
- 4) Funds shall have been appropriated by City Council to effectuate the purpose of each DPRP Loan Request as approved by the DIA Board.

Infrastructure: No City of Jacksonville infrastructure improvements are contemplated.

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

Loans: This DPRP Loan request is the first of three requests as made available under the Amended and Restated Economic Development Agreement as approved by Ordinance 2023-XXX. Of the total \$900,000 approved, the remaining commitment totals \$750,240. Regions was also awarded a Downtown Economic Development Grant in the amount of \$200,000 remains in effect under the terms as provided in the Amended and Restated Economic Development Agreement. Funding of any amount approved by the DIA Board under either of these commitments shall require final inspections of the work completed by DIA and HPS staff in accordance with the approval.

**Performance Schedule:**

- A. Application for a building permit from the City of Jacksonville must be made within 90 days of final approval by the DIA Board.
- B. Commencement of Construction for Phase I shall occur not later than 90 days following receipt of the City of Jacksonville building permit that is necessary for commencement of such construction.
- C. Completion of Construction for Phase I shall occur not later than 365 days after the date that the City of Jacksonville issues the building permit for such work.

**Additional Commitments:**

- A. Recommendation as to the eligibility of the approved scope of work on the Properties by the Planning and Development Department shall be required prior to DIA Board approval of any program funding. Such recommendation by the Planning and Development Department may be conditional on further review and approvals by the State Historic Preservation Office ("SHPO") and/or the National Park Service ("NPS"), as may be required.



- B. Upon Substantial Completion and request for funding, all work on the Properties must be inspected by the Planning and Development Department or designee for compliance with the approved application prior to funding under any DPRP loan component.
- C. Funding under the DPRP will be secured by a stand-alone, subordinate lien position on the Property behind any senior secured, third-party lender providing construction, mini-perm, or permanent financing, as long as such subordination does not alter the DIA approved maturity date of any DPRP Loan.
- D. Each DPRP loan will be cross defaulted with one another.
- E. Payment defaults, or other defaults that trigger legal actions against the Applicant that endanger the lien position of the City, shall also be a default on the subject facilities.
- F. As the Borrower will be utilizing a combination of an HPRR Forgivable Loan and a CCR Forgivable Loan, the maturity of each of these Forgivable Loans will be five (5) years. Principal outstanding under each note will be forgiven at the rate of 20% annually on the anniversary date of each such funding, so long as no defaults exist per loan documents.
- G. Standard clawback provisions will apply such that:
  - a. In the event the Borrower sells, including without limitation a capital lease transaction, or otherwise transfers the Historic Building during the first five (5) years after the disbursement of the Forgivable Loans, the following amounts of any Forgivable Loan shall be due and payable at closing of the Sale:
    - i. 100% if the Sale occurs within 12 months after disbursement of the Forgivable Loan;
    - ii. 80% if the Sale occurs after 12 months but within 24 months of disbursement of the Forgivable Loan;
    - iii. 60% if the Sale occurs after 24 months but within 36 months of disbursement of the Forgivable Loan;
    - iv. 40% if the Sale occurs after 36 months but within 48 months of disbursement of the Forgivable Loan; or
    - v. 20% if the Sale occurs after 48 months but within 60 months of disbursement of the Forgivable Loan.
  - b. Changes in the proposed intended use of the property must continue to contribute towards the relevant Redevelopment Goals and Performance Measures of the DIA and shall be presented to the DIA for further approval not less than 90 days in advance of such changes, and such approval shall not be unreasonably withheld. In the event Borrower or any lessee or assignee of the Borrower uses the Project or the Historic Property or Properties for any use not contemplated by this Agreement at any time within five years following the disbursement of the Forgivable Loan or Loan without such approval, the full amount of the amounts awarded, together with all accrued but unpaid interest thereon, may be declared by the DIA to become due and payable by the Borrower.

- H. Funding in the amount of the DPRP Deferred Principal Loan component (if any) will have a stated maturity date of ten years from the Funding Date. The loan balance is due in full upon maturity, sale, or refinancing of the property prior to maturity, subject to terms of the disposition and value of the property at the time of such event.
- I. The DPRP Deferred Principal Loan component (if any) requires fixed annual interest payments equal to the total principal outstanding multiplied by the prevailing Yield on the US Treasury Ten-Year Note at the time established for closing.
- J. Partial Principal reductions on the DPRP Deferred Principal Loan (if any) may be made after the fifth anniversary with no prepayment penalty; however, a minimum of 50% of the initial loan balance must remain outstanding through the loan maturity date unless the Property or Properties are sold or refinanced during that period, subject to DIA approval.
- K. DIA reserves the right to approve any sale, disposition of collateral property, or refinance of senior debt prior to the forgiveness or repayment of any DPRP Loan. DIA Staff may negotiate terms in the Redevelopment Agreement and/or Loan Documents that allow de minimis levels of refinancing that may be undertaken without requiring further approvals.
- L. All Property, business, and income taxes must be current at the time of application and maintained in current status throughout the approval process, the term of the Redevelopment Agreement, and through the DPRP loan period.
- M. Minimum insurance requirements as established by the City of Jacksonville Risk Management Department must be met prior to closing and maintained throughout the term of the development agreement.
- N. Payment defaults, bankruptcy filings, or other material defaults during the DPRP loan period will trigger the right for the City of Jacksonville to accelerate all amounts funded and outstanding under any or all programs at such time, plus a 20% penalty of any amounts amortized or prepaid prior to that date.

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

**SUPPLEMENTAL INFORMATION**  
**REGIONS DPRP LOAN STAFF REPORT**

**Regions Bank Building  
Downtown Preservation and Revitalization Program  
Loan Request #1**

**Staff Report  
February 15, 2023**

**Applicant:** Regions Bank  
**Project:** Historic "Old Bisbee Building"

**Program Request:** Downtown Preservation and Revitalization Program ("DPRP")

**Total Development Costs (estimate):** \$1,834,037  
**Total Construction Costs (estimate):** \$401,037

**DPRP Recommended:**

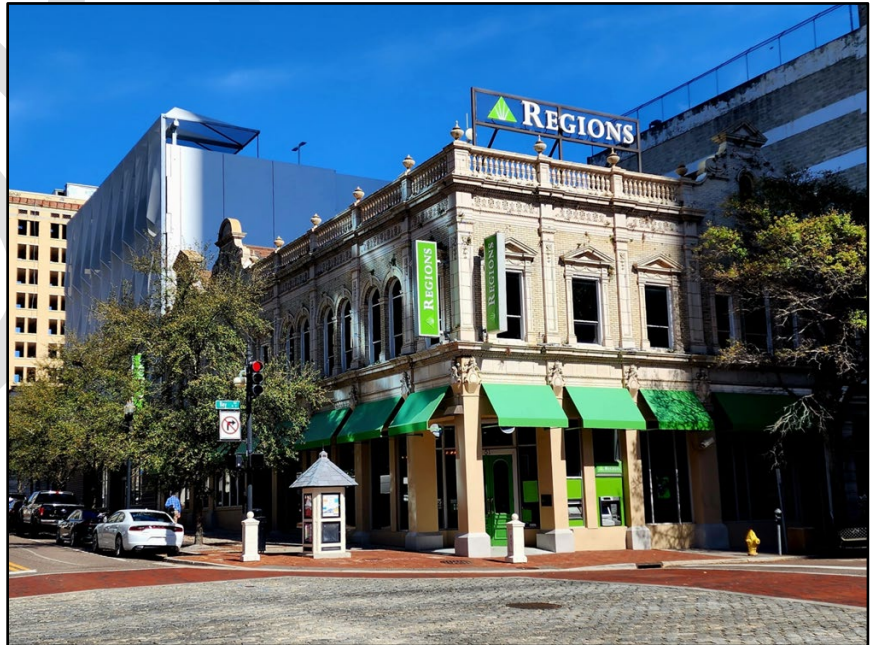
- 1) **Historic Preservation Restoration and Rehabilitation Forgivable Loan (HPRR)** \$110,790
- 2) **Code Compliance Renovations Forgivable Loan (CCR)** \$ 38,750

**\$149,540**

**Property Description:**

Historic "Old Bisbee Building"

Regions Bank is a multi-state regional bank with \$114.4 billion in assets and eleven financial centers in Duval County. The Regions Bank principal office for Jacksonville is located in the historic Old Bisbee Building at 51 W. Bay Street, RE# 073663 0000 (the "Property"), at the highly traveled intersection of Laura Street and Bay Street. The Property was originally constructed in 1909 following the Great Fire of 1901 and is considered one of the most historic properties in downtown Jacksonville for its contribution to the resurgence of the city following the fire, as well as its architecture and continuing structural integrity. The Property was recommended for local landmark status by the Jacksonville Historic Preservation Committee ("JHPC") on October 28, 2020.



**Project Summary:**

- The DIA Board approved Regions Bank for \$900,000 DPRP commitment and a \$200,000 Downtown Economic Development Grant in Resolution 2021-01-05 in part to help facilitate the sale of a surface parking lot adjacent to the company’s Laura Street historic property to VyStar.
- The DPRP and DEDG awards were subsequently approved by the COJ City Council in Ordinance 2021-210-E and authorizes the DPRP to approve advance requests that meet DPRP Guidelines without further City Council approval.
- The parking lot was sold to VyStar as intended, which enabled the construction of the parking garage along Forsyth Street to extend the full block from Main Street to Laura Street, and that garage is now open and operating.
- The Economic Development Agreement with Regions was executed on June 15, 2021.
- Originally approved for up to five phases and advances under the DPRP commitment of \$900,000, that EDA is currently being considered by the Jacksonville City Council for Amendment and Restatement due to the initial submission of a DPRP Loan Request being submitted by Regions beyond the limit of 180-days from the Effective Date.
- This memo seeks approval for the first DPRP Loan Request submitted in August 2022 and is subject to the approval of the Amendment and Restatement currently under consideration by the City Council.
- The Amended and Restated EDA limits the number of DPRP Loan requests to three and requires that the final request be submitted prior to June 15, 2024, and that approval must be considered by the DIA Board prior to December 15, 2024, in order to be eligible.

**Request and Structure:**

- The construction budget provided totals \$401,037 before eliminations. The exclusion of architectural and engineering fees, along with project management costs, provides a net construction budget of \$330,859 eligible for consideration of funding.
- The phase I rehabilitation effort will provide bathroom renovation, an ADA elevator lift, electrical and plumbing upgrades, millwork, and a stairway. Additionally, a new opening will be constructed connecting Regions to the adjacent new parking structure.
- The budget has been evaluated by DIA and HPS staff to make the recommended funding amounts provided below.

	<b>Historic Preservation, Restoration, and Rehabilitation Forgivable Loan (HPRR)</b>	<b>Code Compliance Forgivable Loan (CCR)</b>	<b>DPRP Deferred Principal Loan</b>	<b>TOTAL</b>
<b>TOTAL</b>	<b>\$38,970</b>	<b>\$110,790</b>	<b>\$0.00</b>	<b>\$149,760</b>

- Each forgivable loan approved will be documented as a standalone note with an amortization period of five years.

- DPRP funding would occur upon the completion and inspection of each by DIA and HPS staff to ensure completion in accordance with plans submitted and approved by the DIA Board.
- The following table demonstrates adherence to DPRP Guidelines as required:

Sources			DPRP Guidelines				As Calculated
Measurement	% of TDC		Net of Developer Fee		Project		
Federal Historic Tax Credit		0.0%					
HPRR Forgivable Loan	\$ 38,970	2.1%	Developer Equity	10%	Min of TDC	91.8%	
CCR Forgivable Loan	\$ 110,790	6.0%	3rd Party Loan		No min or max	0.0%	
DPRP Gap Loan		0.0%	Subsidy or Tax Credit		No min or max	0.0%	
Other COJ Funding		0.0%	Developer Combined	50%	Min of TDC	91.8%	
1st Position Debt	\$ -	0.0%	DPRP				
Owner Equity	\$ 1,684,277	91.8%	Exterior	75%	Max of eligible costs		
TOTAL SOURCES	\$ 1,834,037	100.0%	Restoration Int	75%	Max of eligible costs		
			Rehabilitation Int	30%	Max of eligible costs		
			Code Compliance	75%	Max of eligible costs		
			Other	30%	Max of eligible costs		
			HPRR Forgivable Loan	30%	Max of TDC	2.1%	
			CCR Forgivable Loan	30%	Max of TDC	6.0%	
			DPRP Def Prin Loan	20%	Max of TDC	0.0%	
			DPRP Def Prin Loan		Min Must be ≥ 20% of Gap	N/A	
			Other COJ Funding			0.0%	
			COJ Combined	50%	Max of TDC	8.2%	
Uses							
Purchase Price	\$ 1,433,000	78.1%					
A&E Costs	\$ 33,720	1.8%					
Construction Costs	\$ 330,859	18.0%					
Developer Fee		0.0%					
Soft Costs	\$ 36,458	2.0%					
TOTAL USES	\$ 1,834,037	100.0%					
Maximum Funding Level	\$ 917,018						
DPRP Funding	\$ 149,760						
Other COJ Funding	\$ -						
ROI	0.60						

- As shown in the table, a DPRP Deferred Principal Loan is not required due to equity contributed exceeding 25%.
- The stand-alone ROI for this request is calculated as 0.60X follows:

\$1.770 in Total Development Cost	
Ad Valorem Taxes Generated	
County Operating Millage	(1) \$ 90,357
Local Option Sales Tax	(2) \$ -
Payroll	(3) \$ -
Add'l Benefits Provided	(4) \$ -
<b>Total City Expected Benefits</b>	\$ 90,357
Total City Investment	(5) \$ 149,760
<b>Return on Investment Ratio</b>	<b>0.60</b>
(1) - The investment from the Company is estimated to be \$3.6 million in Total Development Costs and \$336,600 in taxable Tangible Personal Property	
(2) - Local Option Sales Tax is based on the revenue generated through retail sales, food and beverage, and commercial leases.	
(3) - Job estimates are calculated at # of jobs * avg. wage. Assumes 20% spent locally and a 1 percent sales tax over 20 years.	
(4) - Value of any additional contribution being made for the benefit of the city in consideration of the incentive	
Interest on the DPRP Deferred Principal Loan	\$ -
Other	
Other	
Total Add'l Benefits Provided	\$ -
(5) - City Incentives as follows:	
DPRP	\$ 149,760
Land	\$ -
Other	
Total Direct Incentives	\$ 149,760

**Recommendation:**

DIA Staff recommends approval of a Historic Preservation Restoration and Rehabilitation (HPRR) forgivable loan for \$38,970 and a Code Compliance (CCR) forgivable loan of \$110,790 for a total DPRP commitment of \$149,760 with the terms and conditions as outlined herein and further detailed on the Exhibit A Term Sheet.

DRAFT

**TAB V**

**CAPITAL PROJECT IMPLEMENTATION MEMO**





# Downtown Investment Authority

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## MEMORANDUM

**TO:** DIA BOARD

**FROM:** Lori Boyer, CEO

**DATE:** January 21, 2023

**RE:** DIA roles and responsibilities for capital projects

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### Powers and duties of DIA

DIA was created in 2012 by Jacksonville City Council and the powers and duties of the DIA are set forth in Chapter 55 of the Ordinance Code. DIA is first and foremost the economic development agency and redevelopment agency for Downtown. In the former capacity, we have the same roles and responsibilities as the Office of Economic Development for areas outside Downtown- primarily job creation and business recruitment in coordination with JAX USA, etc. In the second capacity- our duties and powers are limited to those allowed a CRA by Florida Statute Chapter 163, and as further limited by City Council in Chapter 55. We do have the responsibility to plan for the growth and redevelopment of Downtown including planning for mobility (road and sidewalk) and park improvements as well as where and what type of developments we seek to further our goals. We also have the authority to design and to construct Downtown capital projects, whether they are roads, parks, or stormwater ponds, etc. using CRA funds.

Although the topic was debated in 2012, DIA was not given responsibility for, nor authority over, parks within Downtown which remained in the City Parks Department, nor over the many functions of Public Works within Downtown including maintenance of streets, sidewalks, and vacant lots; stormwater ponds; traffic and roadway improvements; or maintenance of public buildings.

Section 55.111 of the Ordinance Code establishes liaison relationships between DIA and Parks, Public Works and other City Departments directing coordination for projects within Downtown. That relationship has been working well over the past few years and there is regular communication and coordination between us on all capital projects and most maintenance issues within the geography of Downtown.

### CIP project implementation

CIP projects are those capital projects funded by the City and adopted as part of the City's 5 year plan and annual budget. (**Note-state law prohibits the expenditure of CRA funds for a City CIP Project**). The scope of the project (the broad description of what is to be included in the project) is adopted by City Council and requires a Council amendment to change. The details of design, the procurement process for design and construction, and ultimate construction are all the responsibility of the Administration (Mayor and City Departments). Public Works is generally responsible for construction oversight on all projects and design of most projects, with the exception of parks. The Parks Department has their own design contracts and even design build contracts which they oversee and direct. The Parks and Public Works Departments are guided by the Mayor's direction, City Council scope and direction, and their own adopted design standards and goals. Public input varies depending on the nature of the project (more sought on a park than a stormwater pond for example). However, public input is most important when the Council is establishing the project scope, and when the Departments are adopting design standards and plans (such as the Parks Department has done).

### **CRA capital project implementation**

In contrast, a CRA capital project is one funded by the CRA. This could be design, construction, or both. As such we are the agency contracting for the services and the vendor takes direction from DIA. Even in these circumstances, Public Works manages the construction process, and we ensure design is approved by Public Works and/or Parks as appropriate. Examples of CRA projects are Riverplace Boulevard design and construction, Two-way restoration of Forsyth and Adams design and construction, Shotgun houses restoration, etc.

### **Development parcels and parks**

In our planning role for Downtown, and in development of the updated BID Plan, we sought both professional expertise and extensive public input to determine appropriate uses and future needs for both the riverfront and Downtown in general. GAI conducted a park study that provided an inventory of current park facilities, evaluated their condition and recommended both additional parks in new locations and different physical program elements and activation in existing parks to meet the needs of the growing Downtown population. The Jessie Ball DuPont Fund led the Riverfront Activation study which not only addressed the desire for a Riverfront destination park system but also how to activate then entire riverfront with both public and complementary private development.. Bothe of these efforts, and other components of the BID Plan, included major public outreach and extensive input. The results formed the basis of dispositions for private redevelopment as well as approaches to park design and development and were all included in the BID Plan adopted by City Council.

Not all Downtown City-owned property is available for disposition or redevelopment by DIA. Any *surplus* parcel available for redevelopment within Downtown must go through our disposition process. For example, the former Landing site became our responsibility when it was demolished and became available for planning and redevelopment. The same was true of the former courthouse and City Hall sites. The Shipyards had been assigned to the CRA for a number of years. Public buildings in current use, or Downtown parks, are not assigned to us.

But as to sites within our control, we have been intentional about seeking extensive public input on the direction of future redevelopment- either through public meetings we have held or engagement through our consultants.

Once we make a planning decision as to the use of a parcel assigned to us that includes a portion of the site becoming a road or a park, and that road or park is adopted and funded in the CIP, the contracting authority for that parcel shifts back to the appropriate City Department. DIA retains authority over the development parcels and their disposition, leasing, redevelopment, etc.

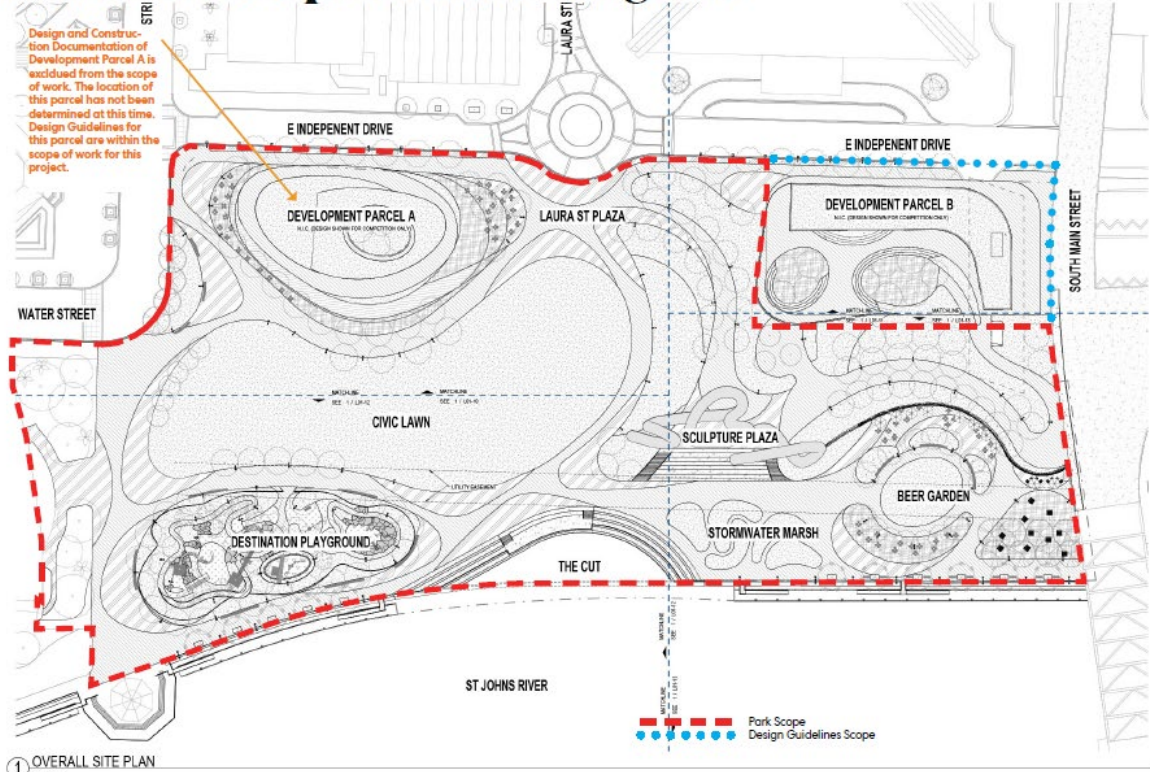
#### **Riverfront Plaza (former Landing)**

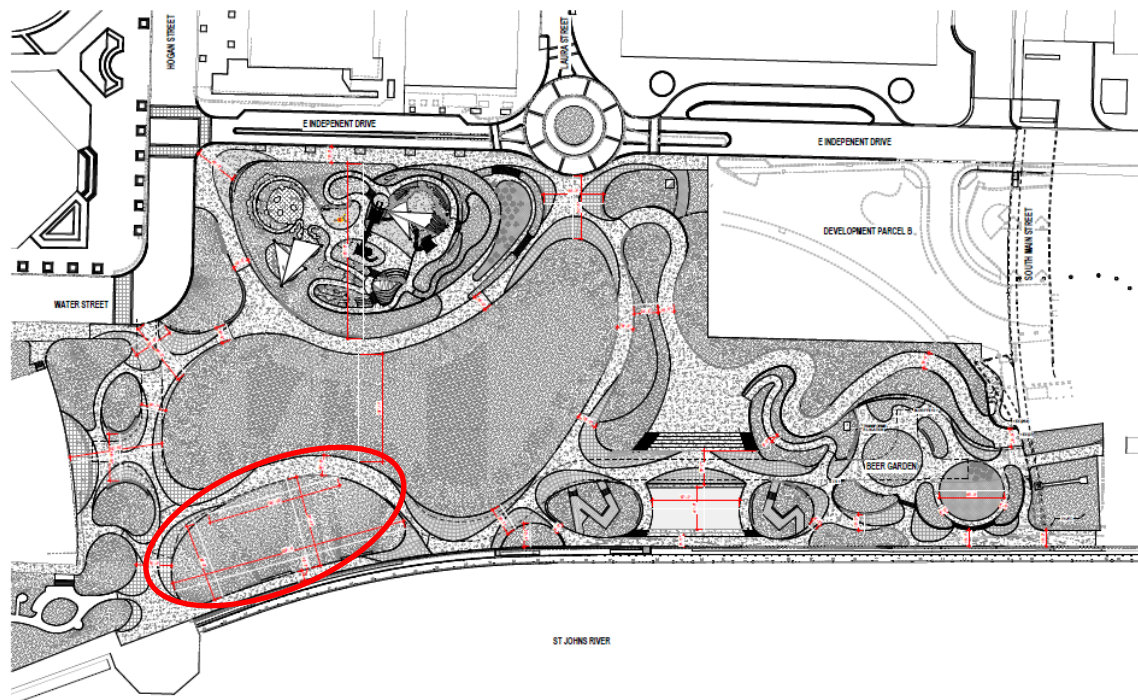
DIA, at least partially in response to public comments and the demand for park space on the site, conducted a design competition to determine the size and location of private development parcels and the concept for the complementary park space. This process had significant public engagement and input and shaped the outcome of what remained available for redevelopment. DIA managed this procurement process and Perkins and Will was selected to complete the park design based on the preliminary concept below.

You will note there is one private development pad in the upper right excluded and another in the upper left. As to the upper right, we conducted the disposition and have awarded the disposition to American Lions. The remainder of the site, with the exception noted for Development Parcel A, became part of the CIP project design scope.

As design progressed, the playground was relocated to the Hogan/Independent corner and the development pad for a future restaurant to the riverfront. Subsequently, a coffee shop and park office was added to the Hogan/Independent corner under the playground to increase activation at the Laura entrance. As a commercial; leasable structure, the DIA paid for design of this element.

# Exhibit A2- Scope of Work Diagram





At this point it would seem that the new future restaurant pad on the riverfront should be excluded from the park CIP boundary and improvements to that parcel would be DIA financial responsibility (as they may be temporary) and it would seem appropriate that the building that is integral to the playground and includes restrooms and pump equipment as well as park office should be part of the CIP project and DIA should be responsible for tenant improvements in the leasable space only.

Obviously there has been continuous cooperation and coordination between DIA, Public Works and Parks throughout the design process but the park design contract is administered by Public Works and they will bid the project for construction. While the location and interface with private development opportunities, and the quality of the park itself is of great importance to DIA, we defer to Parks on playground and restroom and flex lawn and landscape details and to Public Works on elevations, bulkhead interface, elimination of “the Cut” proposed, road and intersection issues, etc.

### **Shipyards West**

The entirety of the Shipyards (from Catherine Street to Kids Kampus) was property held for private redevelopment and in fact DIA had conducted several disposition processes on the property inclusive

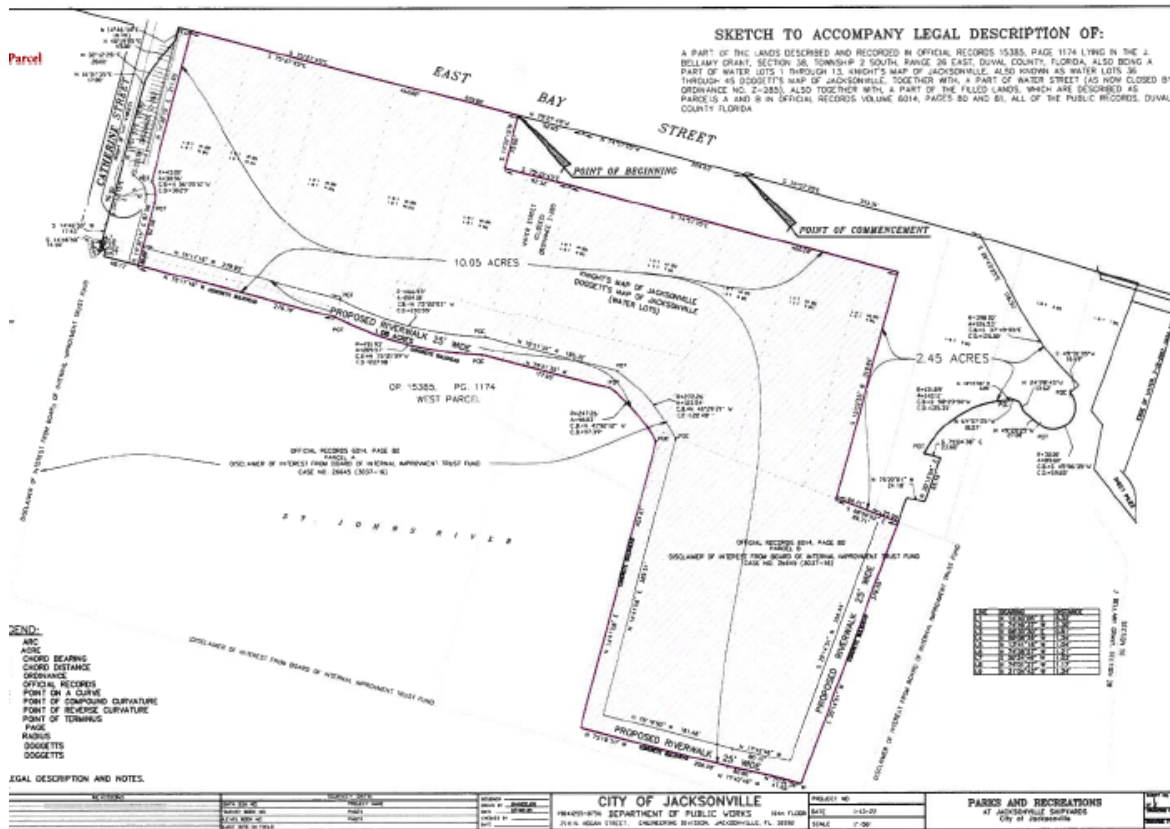
of Shipyards West (the area between Catherine Street and Hogan's Creek). The Board had authorized a development agreement with the Jacksonville Historic Ship Association that allowed its relocation to Pier One and the use of a portion of the uplands near Catherine Street for a modular restroom and gift shop.

In 2021 when the Board entertained the offer from Iguana to redevelop the Kids Kampus with a Four Seasons and office, it triggered several other decisions and actions. The Fire Museum, a historic landmark, was required to be relocated. The location near the Orleck at the intersection of Catherine Street was selected because of its historic significance near the original site for the building (the relocation had to be approved by the Historic Preservation Commission and DIA processed that application) and to reduce the impact of these facilities on the remaining parcel. Public Works managed the actual contract for relocation of the building. In order to properly site the building, a preliminary design for an extension of Catherine Street, inclusive of on street parking on the East side, was completed to understand the required width. The road work and the relocation of the structure became part of a City funded CIP project.

Second, code requires that any space designated a park must be replaced with an equivalent amount of park land and in this case an FDEP grant restriction had to be removed from the land sought for redevelopment and relocated elsewhere. DIA worked to obtain FDEP's concurrence with the relocation of the restriction and agreed to dedicate a portion of Shipyards West to replacement park space.

In order to obtain broader public input and support for the relocation, DIA worked with the Jessie Ball DuPont Fund to solicit public input on this specific site and provide guiding principles regarding the redevelopment as part of the larger riverfront activation plan looking at coordination of activities along the entire system of riverfront parks. Those principles were adopted by the DIA Board in Resolution 2021-12-03 and form the basis for DIA staff review of further plans and proposals.

The DuPont plans included the Orleck and Fire Museum as currently sited. FDEP was shown and expressly approved the Orleck and Fire Museum as permissible uses within the new park in the locations proposed. At that point, we had surveys prepared to delineate the park space subject to restriction and handled processing of the release and recordation of the grant covenant on the Shipyards West parcel. The restricted property does include the Riverwalk and is 10.05 acres but does not include a portion of the Bay Street frontage and Hogan's creek frontage that was envisioned for private redevelopment complementary to the park (and shown on the DuPont concept)



A CIP project was approved by City Council to fund design and construction of the park, and a separate CIP project provides additional funding for the Riverwalk. The DIA funded 30% design of the adjacent CRA properties to ensure a coordinated design and plan. Agency was awarded both contracts and design meetings include DIA, Parks and Public Works. The boundaries of each contract are shown below- purple being DIA. The design of the western edge of the park was subject to prior approvals for the Orleck, Fire Museum and Catherine Street.



Approval of the design for the CRA scope- submerged lands, piers, and Bay Street Hogan's creek parcel will be subject to DIA approval and is certainly appropriate for Board review and approval or modification. However, the design of the CIP project is not subject to Board approval although DIA board comments and input are welcome.

The 50-space requirement for parking in the park came from City Council hearings in December regarding the Orleck's relocation, and as the ultimate authority on CIP projects, they can impose that requirement as part of the scope of the park if they desire. It was completely within the Board's authority to limit that commitment in the DIA Resolution, however that action may or may not be reversed at Council.

As noted, there is a joint DIA/Parks public meeting on February 8<sup>th</sup> at which the initial concept for the park will be shared with the public and additional public input sought from all interested parties. It is important to note however that the broad-based outreach which formed a basis for the DuPont recommendations in the Activation Study and the restrictions of the FRDAP grant as well as direction from Public Works regarding the bulkhead and the Chief Resiliency Officer are the framework guiding design.

As we receive additional funds this year from a loan payoff and the office parcel closing, the board will need to prioritize improvements within the CRA portions of the site or decide to release those to park use and inclusion in the CIP.



**TAB VI**

**PRIORITIZATION OF POTENTIAL CAPITAL PROJECTS**

## MEMORANDUM

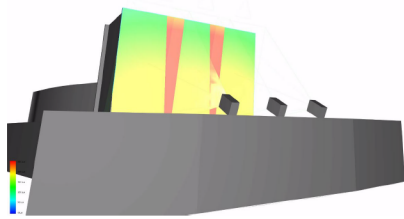
TO: SIC Committee  
FROM: Lori Boyer  
DATE: February 9, 2023  
RE: Capital Projects and comments

As we have a number of capital projects in our updated BID Plan as well as other projects that have come to our attention and further the plan goals and objectives, staff would like the Committee's input on prioritization of alternatives both within and between projects. The purpose of this memo is to begin discussion and obtain Board input.

### Riverfront Plaza

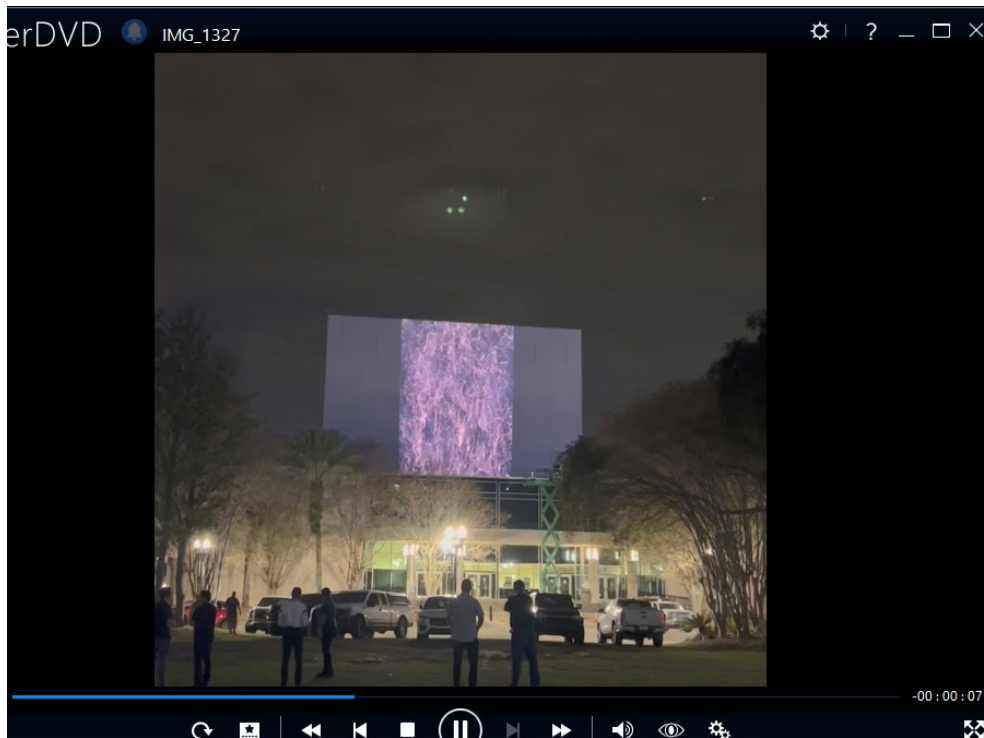


1. Projection and speakers for Riverfront Plaza \$1.5 -2 million



Surface # 4 - FlyLoft – Hogan St / Riverfront Park Side  
77' tall x 108' wide  
Resolution for content creation = 5,396 x 3,848  
Total # of Projectors Required = 3





3 projectors, housings, etc.- \$975,000

Speakers and wiring in Riverfront Plaza 500,000+?

2. Future Development Pad for restaurant- temporary lawn, utility underground (now- perhaps 500,000)

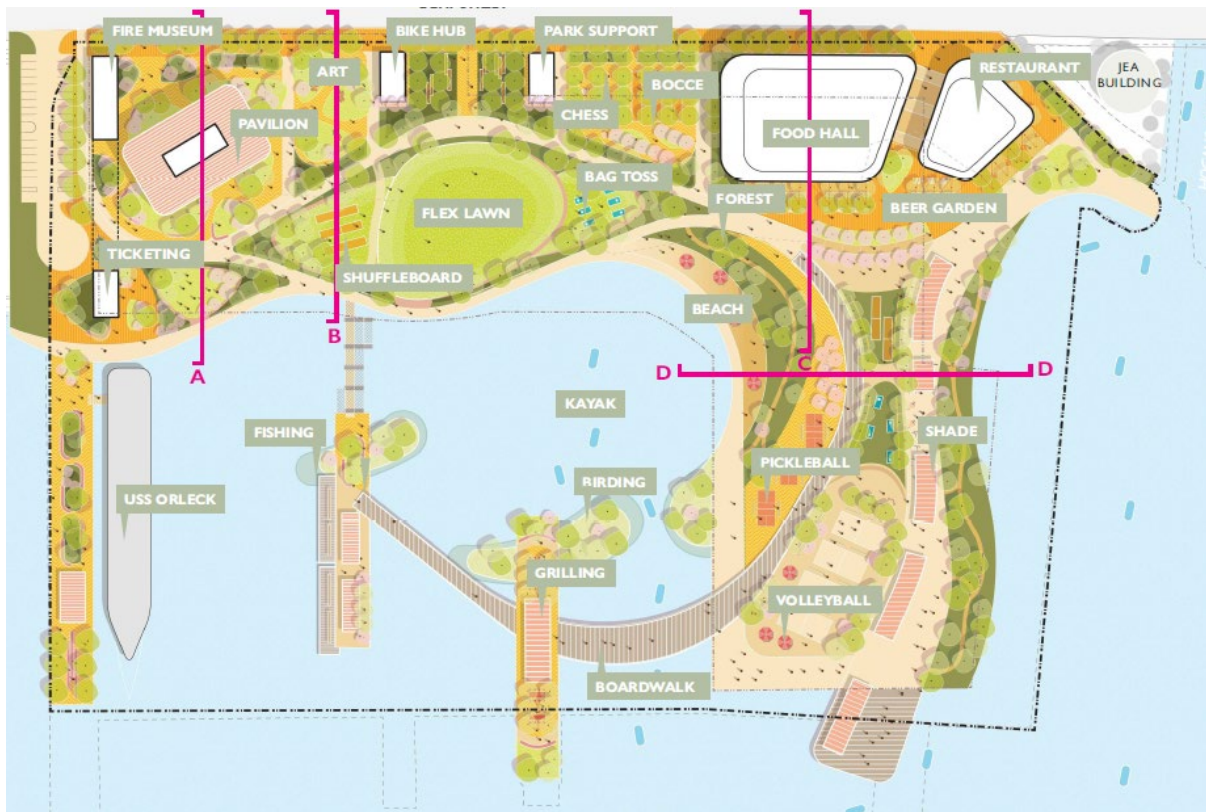


3. Disposition or design?
4. Public Art on Civic Stairs

**Shipyards West CRA Portion**



This is the preliminary concept shared this week? What comments do you have on the design taking into consideration the CRA vs CIP boundaries?



Should we prioritize the Food Hall and try to fund its construction? Should we suggest Piers 2 and 3 and the walkway be added to the CIP project? Should we try to fund the pier components? Restoration of Pier One was estimated to cost 9 million. No estimates yet on 2,3 and walkway.

