



**Downtown Investment Authority**  
**Strategic Implementation Committee Hybrid Meeting**  
***Monday, October 19, 2022 – 2:00 p.m.***

**Strategic Implementation Committee Hybrid Meeting**  
***Draft – MEETING MINUTES***

**Strategic Implementation Committee Members (CM) in Attendance:**

Carol Worsham, DIA Board Chair  
Craig Gibbs, Esq.

**Committee Members Excused:** Braxton Gillam, Esq.

**DIA Board Members Participating Virtually:** Jim Citrano

**DIA Staff Present:** Lori Boyer, Chief Executive Officer; Steve Kelley, Director of Downtown Real Estate and Development; Susan Kelly, Redevelopment Coordinator; Guy Parola, Operations Manager; Antonio Posey, Project Manager; and Ina Mezini, Communication and Marketing Specialist.

**Office of General Counsel:** Joelle Dillard, Esq.

**Council Members Present:** None

**I. CALL TO ORDER**

The Strategic Implementation Committee meeting of October 19, 2022, was called to order at 2:01 p.m. by Carol Worsham, DIA Board Chair.

**II. PUBLIC COMMENTS**

Chairman Gibbs called for public comment.

*The following persons made in-person public comments, made public comments virtually through Zoom, or provided comments that were read into the record by DIA Staff. Note: the subject matter of the comment(s) indicated to the right of each person:*

Allan DeVault	Advocated for the Downtown Preservation and Revitalization Program, and the Historic Preservation and Revitalization Trust Fund; in reference to Resolution 2022-10-07, acknowledged timing lag between various incentive approvals and application dates.
---------------	--

Cliff Miller Spoke to low cost cleanup within Downtown to improve Downtown, citing the abandoned rooftop billboard adjacent to the Downtown Library as an example.

**III. SEPTEMBER 19, 2022 STRATEGIC IMPLEMENTATION COMMITTEE MEETING APPROVAL OF THE MINUTES**

Chair Worsham called for a motion.

**Motion:** Member Gibbs moved to approve the minutes as presented

**Seconded:** Chair Worsham seconded the motion

**Vote: Aye: 2          Nay: 0          Abstain: 0**

**THE MOTION PASSED UNANIMOUSLY 2-0-0**

**IV. RESOLUTION 2022-10-03: EXTENSION OF COMPLETION OF CONSTRUCTION DATE, AMBASSADOR HOTEL**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) RECOMMENDING AN EXTENSION TO THE BUILDING IMPROVEMENTS COMPLETION DATE FOR THE REHABILITATION AND ADAPTIVE REUSE OF THE AMBASSADOR HOTEL (THE “PROJECT”) AS FOUND IN THE SECOND AMENDED AND RESTATED REDEVELOPMENT AGREEMENT BETWEEN THE CITY OF JACKSONVILLE, THE DOWNTOWN INVESTMENT AUTHORITY, AND AXIS HOTELS, LLC (“DEVELOPER”) WITH AN EFFECTIVE DATE OF MARCH 25, 2022; AUTHORIZING THE DIA’S CHIEF EXECUTIVE OFFICER (CEO) TO EXECUTE THE EXTENSION AGREEMENT AND OTHERWISE TAKE ALL NECESSARY ACTION IN CONNECTION THEREWITH TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING AN EFFECTIVE DATE.**

Steve Kelley, Director of Downtown Real Estate and Development, presented a summary of the resolution to the committee. Mr. Kelley explained that the Second Amended And Restated Redevelopment Agreement provides a Building Improvements Completion Date of December 31, 2022, and that extension authority is limited to the DIA Board. Although that authority allows up to six months with cause shown by the Developer, Mr. Kelley proposed a three month extension provided by the Board would establish a checkpoint at March 31, 2023 to determine the status of the project. This would allow time to prepare for City Council action if the project was continuing to show progress, but the remaining three months of Board authority was insufficient to see the Project achieve requirements established for Completion.

**Motion:** Member Gibbs moved to approve the resolution as presented

**Seconded:** Chair Worsham seconded the motion

**Vote: Aye: 2      Nay: 0      Abstain: 0**

**THE MOTION PASSED UNANIMOUSLY 2-0-0**

**V. RESOLUTION 2022-10-07: PROPOSED COUNCILMEMBER SPONSORED LEGISLATION RELATING TO THE DOWNTOWN PRESERVATION AND REVITALIZATION PROGRAM AND THE HISTORIC PRESERVATION AND REVITALIZATION TRUST FUND**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”), AS THE COMMUNITY REDEVELOPMENT AGENCY FOR THE DOWNTOWN NORTHBANK COMMUNITY REDEVELOPMENT AREA AND THE SOUTHSIDE COMMUNITY REDEVELOPMENT AREA RECOMMENDING [APPROVAL/DENIAL/APPROVAL WITH AMENDMENT] OF THE LEGISLATION ATTACHED HERETO EXHIBIT A REVISING THE TERMS OF THE DPRP AND HPRTF GUIDELINES TO LIMIT REIMBURSABLE CONSTRUCTION COSTS TO THOSE INCURRED AFTER CITY COUNCIL APPROVAL; AUTHORIZING ITS CHIEF EXECUTIVE OFFICER TO TAKE ALL NECESSARY ACTIONS TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.**

Citing a concern by City Councilmember(s) that reimbursements were being made to developers for work that occurred prior to a DPRP award by City Council, or in the case of HPRTF, work occurring prior to an HPRTF award by the DIA Board, CEO Boyer provided the purpose and a summary of the legislation. Concerns relayed by CEO Boyer to the Committee include the questioning of a financial need by the Developer when work is undertaken prior to an incentive. CEO Boyer acknowledged that DPRP and HPRTF incentives address a project’s standalone financial feasibility, not a developer’s overall financial capacity to perform the work at their expense.

The legislation as proposed would add the following conditions to the DPRP and the HPRTF programs, as applicable:

Construction costs eligible for funding under the DPRP shall be limited to those costs incurred following approval by the City Council. For clarity, development costs, which may include construction costs, incurred prior to approval by City Council may be included in the calculation of Total Development Cost but will not be eligible for incentive payments under the program.

Construction costs eligible for funding under the HPRTF shall be limited to those costs incurred following approval by the DIA Board. For clarity, development costs, which may include

construction costs, incurred prior to approval by the DIA Board may be included in the calculation of Total Development Cost but will not be eligible for incentive payments under the program.

CEO Boyer provided a summary of Resolution 2022-10-07, and spoke specifically to the Committee's options as proffered within the draft resolution, section 2, with those options being:

- 1) The DIA recommends that City Council approve the legislation and guideline changes included as Exhibit A, draft legislation with proposed amended program conditions, without modification.

Or

- 2) The DIA recommends that the City Council reject the legislation and guideline changes included as Exhibit A, draft legislation with proposed amended program conditions, without modification.

Or

- 3) The DIA recommends that City Council approve the legislation and guideline changes attached as Exhibit A with the following modifications:

1. Delete any reference to HPRTF Guidelines as this program does not require City Council Approval of awards and is final when awarded by DIA; HPRTF Guidelines could be revised to allow reimbursement only for construction incurred after DIA approval.

2. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Motion:** Member Gibbs moved the resolution for discussion

**Seconded:** Chair Worsham seconded the motion

**Discussion:**

Member Gibbs: To the CEO, would it be prudent to put a reimbursement date for work occurring prior to Council action of not greater than six (6) months prior to City Council approval for a DPRP award?

CEO Boyer: provided a hypothetical timeline on an award by City Council of four to six months from a complete application

Member Citrano: Opined that it would be prudent to wait on an award before undertaking the costs of construction, but confirmed agreement with the CEO's

discussion on the distinction between financial capacity of a developer versus the financial feasibility of an individual project.

Stated that he would not support legislation or a DIA resolution supporting legislation unless that legislation and DIA resolution contained an eligible reimbursement date for work began prior to an incentive award and suggested that expenditures incurred following the application date would be more appropriate as long as Developers understand they are doing so at their own risk if the necessary approvals are not ultimately received.

Chair Worsham: Echoing Member Citrano, questioned if the work that occurred between DIA approval and City Council approval should be eligible for reimbursement. Chair Worsham also acknowledged that applications and the programs are complex.

Acknowledging the importance of the DPRP and HPRTF programs, Chair Worsham suggested that the Resolution should not be addressed at the Committee level with only two members present, but rather at the Board level.

Following guidance from the General Counsel on the appropriate way to move the resolution out of committee for discussion and action by the full DIA Board, without making a finding on the merits of the legislation or the DIA resolution, the following action occurred:

**Amended Motion:** Member Gibbs moved to amend the motion and deny Resolution 2022-10-07

**Seconded:** Chair Worsham seconded the motion as amended

**Vote: Aye: 2      Nay: 0      Abstain: 0**

*Following the vote, CEO Boyer spoke briefly regarding changes to changes in state statutes regarding CRAs that could potentially affect DIA, and state continuing research on the matter is being done.*

## **VI. ADJOURNMENT**

Chair Worsham adjourned the meeting at 2:35 p.m.

*The written minutes for this meeting are only an overview of what was discussed. For verbatim comments of this meeting, a recording is available upon request. Please contact Ina at [RMezini@coj.net](mailto:RMezini@coj.net) to acquire a recording of the meeting.*