

RESOLUTION 2016-12-02

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (THE "DIA") APPROVING CHANGES TO THE SCOPE OF THE PROJECT IMPROVEMENTS OF THE PREVIOUSLY EXECUTED REDEVELOPMENT AGREEMENT BETWEEN THE CITY AND HALLMARK PARTNERS, INC., DATED JULY 21, 2015 FOR THE 200 RIVERSIDE AVENUE APARTMENTS PROJECT, WITH ALL OTHER TERMS AND CONDITIONS OF THE REDEVELOPMENT AGREEMENT REMAINING UNCHANGED; AUTHORIZING THE CHIEF EXECUTIVE OFFICER OF THE DIA (THE "CEO") TO FILE LEGISLATION TO ENACT THE MODIFICATIONS TO THE REDEVELOPMENT AGREEMENT; AUTHORIZE THE CEO TO EXECUTE ALL DOCUMENTS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the DIA approved a Redevelopment Agreement between the City of Jacksonville and Hallmark Partners, Inc. ("Hallmark"), dated July 21, 2015, via DIA Resolution 2014-10-01, for the purpose of providing a REV Grant in connection with the construction by Hallmark of a mixed-use residential apartment complex located at 200 Riverside Ave (the "Project"); and

WHEREAS, pursuant to DIA Resolution 2016-02-01, the DIA approved a modification to the Redevelopment Agreement between the City of Jacksonville and Hallmark Partners, Inc. ("Hallmark") for the purpose of reducing the number of units to be constructed from 223 to 190, and also reducing the square footage of retail space to be constructed from 18,000 square feet to 16,000 square feet; and

WHEREAS, the Project as modified includes approximately 190 residential rental units and approximately 16,000 square feet of retail space with 318 parking spaces, with an estimated private capital investment of approximately \$42.1 million for the construction of the rental apartment facility and associated improvements; and

WHEREAS, the REV Grant was to be a for a maximum of up to 75% of the incremental increase in the county portion of the ad valorem taxes generated from a required minimum capital investment of \$32,000,000 for a period of twenty years, in a cumulative amount not to exceed \$7,000,000; and

WHEREAS, Hallmark desires to amend the Redevelopment Agreement to reflect the following: (i) the number of residential units shall be increased from 190 to 295; and (ii) the square footage of the retail space shall be reduced from 16,000 to 12,750; and (iii) to change the name of the developer entity and REV grant counterparty to HP-BDG 200 Riverside, LLC; and

WHEREAS, Hallmark also desires to further amend the Redevelopment Agreement to reflect the following: the REV Grant shall be decreased to a rate of 62.5% of the incremental increase in the county portion of the ad valorem taxes generated from a required minimum capital investment of \$50,000,000 for a period of twenty years, in a cumulative amount not to exceed \$9,000,000; and

WHEREAS, Hallmark has demonstrated that the estimated Private Capital Investment for the Project as revised will remain approximately \$50,000,000 million; and

WHEREAS, The proposed project will result in the creation of 60 new permanent full-time jobs plus the creation of 500 full time construction jobs during the construction period of twenty-four (24) months; and

WHEREAS, The DIA is authorized per Section 55.108 *Economic Development* of the City Ordinance Code, with City Council approval, to utilize the Tax Increment Finance District Trust Funds to foster the redevelopment of the Downtown Northbank Community Redevelopment Area; 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 finds that this amended plan of development is consistent with the BID Plan, with particular furtherance of Redevelopment Goal 2.

Section 3. The DIA authorizes the CEO to initiate filing legislation with the City Council to enact the changes incorporated within this Resolution 2016-12-02.

Section 4. 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.

Section 5. This Resolution, 2016-12-02, shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

James Bailey, Chairman

1/18/2017
Date

VOTE: In Favor: 8 Opposed: 0 Abstained: 0

FORM APPROVAL:

Office of General Counsel