

RESOLUTION 2018-02-05

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AUTHORIZING THE CEO TO NEGOTIATE AND EXECUTE FORGIVABLE LOAN DOCUMENTS WITH UNIVERSITY OF NORTH FLORIDA (“UNF”); PROVIDING AN EFFECTIVE DATE.

WHEREAS, The Downtown Investment Authority (“DIA”) has been designated by the City of Jacksonville as the Community Redevelopment Agency for community redevelopment areas within the boundaries of Downtown pursuant to Chapter 55, Jacksonville Ordinance Code; and

WHEREAS, the DIA has been designated the Economic Development Agency for the Downtown area of Jacksonville pursuant to Chapter 55, Jacksonville Ordinance Code; and

WHEREAS, the DIA seeks to assist UNF in establishing a series of Graduate School Programs (“Programs”) in Downtown Jacksonville; and

WHEREAS, the DIA has proposed an incentive to UNF to locate the Programs and associated classroom space in Downtown Jacksonville; and

WHEREAS, the proposed DIA incentive would be a Forgivable Loan to help defray the costs of moving the Programs, including tenant improvements, capital, and tangible personal property expenditures, into the Downtown Jacksonville; and

WHEREAS, the proposed Forgivable Loan would be in an Amount of \$380,000 and funded from the Downtown Development Fund and shall be in accordance with the terms of the Term Sheet attached to this Resolution 2018-02-05 as Exhibit “A”; and

WHEREAS, the incentive effectuated by adoption of this Resolution further the following BID Plan Redevelopment Goals:

Redevelopment Goal 1: Reinforce Downtown as the City’s unique epicenter for business, history, culture, education, and entertainment.

Redevelopment Goal 3: Simplify the approval process for downtown development and improve departmental and agency coordination.

Redevelopment Goal 7: Maintain a clean and safe 24-7 Downtown for residents, workers, and visitors; **NOW THEREFORE**

BE IT RESOLVED, By the Downtown Investment Authority:

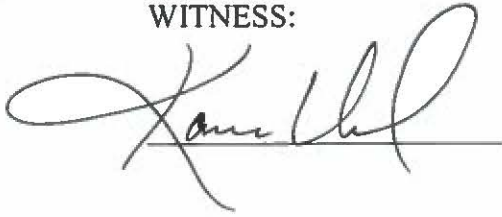
Section 1. The DIA finds that the recitals set forth above are true and correct and are incorporated herein by this reference.

Section 2. The DIA authorizes the CEO to negotiate and execute Forgivable Loan Documents with UNF, subject to the terms and conditions set forth in the Term Sheet attached to this resolution as Exhibit "A".

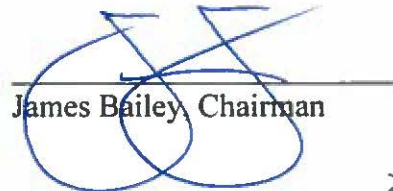
Section 3. The DIA hereby finds that the adoption of Resolution 2018-02-05 furthers Bid Plan Redevelopment Goals 1, 3, and 6.

Section 4. This Resolution, 2018-02-05, Shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:



DOWNTOWN INVESTMENT AUTHORITY


James Bailey, Chairman

2/21/2018
Date

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

FORM APPROVAL:

Office of General Counsel



Downtown Investment Authority

TERM SHEET

Project Name: University of North Florida (“UNF”) Downtown Campus

Developer/ Applicant: University of North Florida, a State of Florida Public University.

Total Applicant Lease Costs: 13,306 sq. ft. @ \$1.00 / sq. ft. = \$13,306.00 annual lease payment or \$1,108.83 per month (years 1-3), then 13,306 sq. ft. @ \$20.00 / sq. ft. = \$266,120.00 annual lease payment or \$22,176.67 per month (years 4-5).

The Project:

The UNF Downtown Campus will be created with the adult working professional in mind offering cohort-based evening classes, hybrid options, and a wide variety of graduate programming.

The Project will be located on the 4th and 5th floor of the Barnett Bank Building, in Downtown Jacksonville. Each floor consists of 6,653 square feet of office space. The project will employ approximately 10 faculty and staff at the Downtown Location, up to 20 Center for Entrepreneurship participants and enrollment is expected to be approximately 120-150 students when fully “ramped up.” Classes will be held during the evening hours.

The Project Budget (related to the funding requested of the DIA) is as follows:

Tenant Improvements	Capital Expenditures	Tangible Personal Prop.	Request of DIA
\$1,400,000	\$10,000	\$380,000	\$380,000

City Funding: UNF is requesting **\$380,000** (through the City of Jacksonville Downtown Investment Authority) as follows:

Infrastructure: No city of Jacksonville infrastructure improvements are contemplated.

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

REV Grant: No REV Grant from the City of Jacksonville is contemplated by the project.

Grants: No Grants from the City of Jacksonville are contemplated for this project.

Parking: UNF shall be able to purchase parking vouchers for staff and student use at a discounted rate of \$3.00/voucher. The vouchers will be valid for weekdays from 4:30 p.m. through 10:00 p.m.

Loans: Up to \$380,000 in Loans described as follows:

No more than \$380,000 from the Downtown Economic Development Fund. The Loan will be used to fund the improvements as detailed on the attached Exhibit A. The Loan will have a stated term of 5 years, with the expectation that the loan will be forgiven prior to that date as described below. The Loan will be at 0.0% interest and will be due in full at maturity.

Loan Forgiveness:

The Loan will be forgiven at a rate of 1.667% per month of which the program complies with the student and square footage requirements. The loan will require at least 24 students enrolled in the first semester, 48 students enrolled the second semester and 72 students enrolled thereafter. The loan forgiveness period will begin in month 1 of the lease period, regardless of when the Forgivable Loan is disbursed.

Default:

Particular default provisions in the Loan Agreement will be negotiated between the parties before the loan documents are executed. One required instance of default, which must be included in the Loan Agreement and other loan documents pertains to UNF terminating the program before the loan has been forgiven in its entirety. Should UNF terminate the program (or if UNF indicates, in writing or by action, that the program will fail to be compliant with the requirements for space, staff and students), the loan shall accelerate and the unforgiven loan balance as of the date of termination shall be due to the DIA within 120 days from the date of termination of the program.

(The remainder of this page left intentionally blank)

Conditions: This Term Sheet is limited by the following conditions:

These proposed financial terms are subject to the approval of the Downtown Investment Authority.

There will be additional terms, conditions, rights, responsibilities, warranties and obligations for both parties to be determined in a later negotiated mutually agreeable written contract (or multiple written contracts as is deemed necessary). Failure to agree upon and execute a written contract (or contracts) for these proposed financing terms, and any additional terms which have been agreed upon, by the expiration date of this Term Sheet will result in the nullification of all obligations of both parties.

This Term Sheet expires and becomes void, if not executed by the Parties upon March 15, 2018.

Additionally, this Term Sheet expires and all the terms contained within become void, upon July 15, 2018, unless extended in writing by the parties or replaced by a redevelopment agreement.

(The remainder of this page left intentionally blank)

(Signature Page to Follow)

DIA – UNF Downtown Incentive Term Sheet
February 20, 2018

Offered on behalf of the City of Jacksonville Downtown Investment authority by:

Aundra C. Wallace its CEO

Date: _____

Accepted on behalf of University of North Florida by

Print Name:

Its (print Officer Title): _____

Date: _____

DIA – UNF Downtown Incentive Term Sheet
 February 20, 2018

Exhibit A

Room	Equipment	Estimated cost
Welcome/Reception	Desk, chair, seating, signage, computer, monitor, phone	\$5,000
Conference Room	Capable of teleconferencing, remote access, and virtual meetings. Conference table, 12 chairs, video equipment, computer, smart board, phone	\$15,000
10 offices	Desk, chair, computer, dual monitors, phone, seating (1 or 2 chairs per), book shelves All offices equipped for online meetings/webinars	\$20,000
Classroom 1	30 Node desks, video conferencing, technology station, computer, monitor, smart board, dividers (glass front w/door, solid wall, dividing wall which is shared)	\$80,000
Classroom 2	30 Node desks, video conferencing, technology station, computer, monitor, smart board, dividers (glass front w/door, solid wall, dividing wall which is shared)	\$80,000
Classroom 3	30 Node desks, video conferencing, technology station, computer, monitor, smart board, dividers (glass front w/door, solid wall, dividing wall which is shared)	\$80,000
Classroom 4	30 Node desks, video conferencing, technology station, computer, monitor, smart board, dividers (glass front w/door, solid wall, dividing wall which is shared)	\$80,000
Kitchen	Two square tables and eight chairs, refrigerator	\$1,000
Student lounge	One rectangular table, six chairs, refrigerator	\$1,000
Signage	UNF signage and directory to be located on main level, entryway of 4 th & 5 th floors, classrooms, and office placards	\$8,000
Facility/Infrastructure Enhancements	Electrical work providing open access to outlets throughout classrooms and collaboration spaces, Wi-Fi enabled throughout, wall and door enclosure for corner office, paint, flooring, and cleaning	\$10,000
Total		\$380,000