



**Downtown Investment Authority**  
**Retail Enhancement and Property Disposition Committee Meeting**  
***Thursday, April 10<sup>th</sup>, 2025***  
***10:00 AM***

**Retail Enhancement and Property Disposition Committee Meeting**  
***MEETING MINUTES***

**Retail Enhancement and Property Disposition Committee Members (CM) in Attendance:**  
Jill Caffey, (Chair); Micah Heavener; Sondra Fetner, John Hirabayashi

**DIA Board Members in Attendance:** Cameron Hopper

**DIA Staff Present:** Lori Boyer, Chief Executive Officer; Steve Kelley, Director of Downtown Real Estate and Development; Allan DeVault, Project Manager; Wade McArthur, Property Disposition Manager; Guy Parola, Director of Operations; Ava Hill, Administrative Assistant

**Office of General Counsel:** John Sawyer, Esq.

**Council Members Present:** None

**I. CALL TO ORDER**

Committee Chair Jill Caffey called the Retail Enhancement and Property Disposition Committee Meeting to order at 10:03 a.m. and asked for introductions from the Board and Staff.

**II. PUBLIC COMMENTS**

There were no comments.

**III. FORM 8B: VOTING CONFLICT DISCLOSURES**

There were no voting conflict disclosures.

**IV. FEBRUARY 13<sup>TH</sup>, 2025, RETAIL ENHANCEMENT AND PROPERTY DISPOSITION COMMITTEE MEETING MINUTES APPROVAL**

Committee Chair Caffey called for a motion on the meeting minutes.

**Motion:** Committee Member Heavener moved to approve the meeting minutes.  
**Seconded:** Committee Member Fetner seconded the motion.

Committee Chair Caffey called for a vote.

**Vote:**      **Aye: 4**                      **Nay: 0**                      **Abstain: 0**

**THE MOTION PASSED UNANIMOUSLY 4-0-0**

**V. RESOLUTION 2025-04-13 HTG NEGOTIATED DISPOSITION**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) INSTRUCTING ITS CHIEF EXECUTIVE OFFICER (“CEO”) TO ISSUE A 30-DAY NOTICE OF DISPOSITION IN ACCORDANCE WITH FLORIDA STATUTES AND THE NEGOTIATED DISPOSITION POLICY APPROVED BY ORDINANCE 2022-372-E; AUTHORIZING THE PUBLICATION OF A NOTICE OF DISPOSITION FOR THE FEE SIMPLE DISPOSITION OF APPROXIMATELY 0.21 ACRES OF CITY OWNED PROPERTY AS DEPICTED ON EXHIBIT A ATTACHED HERETO AND IDENTIFIED BY DUVAL COUNTY TAX PARCEL NUMBERS RE# 073558-0000, RE# 073561-0000, AND RE# 073560-0000 (“THE PROPERTY”); EXPRESSING THE INTENTION, ABSENT HIGHER RESPONSIVE OFFERS, TO DISPOSE OF SAID PROPERTY IN ACCORDANCE WITH THE NEGOTIATED TERMS ATTACHED HERETO AS EXHIBIT B, AND ESTABLISHING THE TERMS OF THE PUBLISHED NOTICE OF DISPOSITION ATTACHED HERETO AS EXHIBIT C; AND 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 TAKE ALL ACTION NECESSARY TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.**

Mr. Wade McArthur explained that the developer, who will eventually be a special purpose entity formed by Housing Trust Group (HTG) and Cathedral District Jax, proposed a 7-story, \$36.5 million mixed-use project with 85 residential units—75 affordable—and 1,200 sq ft of retail space. They requested DIA convey three lots (0.21 acres) at no cost, which were appraised at \$271,000 and previously cleared using \$200,000 in CRA funds. The project site would be combined with four adjacent lots under contract. The developer pledged not to seek tax exemption, and the property would include deed restrictions and a reverter clause. If no competing bids arise, the property would be conveyed as outlined in the resolution. CEO Boyer suggested to the committee to motion on the red-lined copy of the resolution that was provided separate from the agenda packet.

Mr. Spencer Sorefleet, HTG, introduced himself to the committee and thanked everyone for taking up their project.

Committee Chair Caffey opened the floor for discussion.

Committee Member Heavener how much the loan was anticipated to be. CEO Boyer responded that it should be around \$600,000 to \$700,000, slightly more or less.

Committee Member Heavener also asked if City’s financial exposure was limited to the land contribution and the \$600K–\$700K loan, with no other incentives expected. CEO Boyer responded that he was correct and that the only expected incentives would be the land contribution and a projected \$610,000 affordable housing support loan.

Committee Chair Caffey called for a motion on the red-lined resolution.

**Motion:** Committee Member Heavener moved to approve the red-lined resolution.  
**Seconded:** Committee Member Fetner seconded the motion.

Committee Chair Caffey opened the floor for discussion

Committee Member Fetner pointed out that the red-lined additions she suggested to the resolution had to do with the Live Local Act and then explained her concerns. She asked if the resolution or staff report could include verbiage clarifying that the decision to forgo tax-exempt status was initiated by the developer, not the board. CEO Boyer responded that it was an amendment that could be offered.

**Motion:** Committee Member Fetner moved to amend the term sheet on the restriction of use provision to say “per HTG request, the property will be deed restricted to ensure the property will remain on the tax rolls.  
**Seconded:** Committee Member Heavener seconded the motion.

Committee Chair Caffey called for a vote on the amended.

**Vote:** Aye: 4                      Nay: 0                      Abstain: 0

**THE AMENDMENT PASSED UNANOMOUSLY 4-0-0**

Seeing no further discussion, Committee Chair Caffey called for a vote on the amended resolution.

**Vote:** Aye: 4                      Nay: 0                      Abstain: 0

**THE MOTION PASSED UNANOMOUSLY 4-0-0**

**VI. RESOLUTION 2025-04-14 APEX LEASE TERMINATION**

**RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AS THE COMMUNITY REDEVELOPMENT AGENCY (“CRA”) FOR THE DOWNTOWN NORTHBANK COMMUNITY REDEVELOPMENT AREA AUTHORIZING ITS CHIEF EXECUTIVE OFFICER TO BUY OUT AND TERMINATE THE LEASEHOLD INTEREST OF ARLINGTON PRINTING AND STATIONERS, INC. AND APEX BUILDING OF JACKSONVILLE, LTD. (“APEX” OR “LESSEE”) IN ITS LEASE WITH THE CITY OF JACKSONVILLE AND DOWNTOWN INVESTMENT AUTHORITY (AS SUCCESSOR IN INTEREST TO THE JACKSONVILLE ECONOMIC DEVELOPMENT COMMISSION AS SUCCESSOR IN INTEREST TO THE JACKSONVILLE DOWNTOWN DEVELOPMENT AUTHORITY) (“LESSOR”) ON APPROXIMATELY .75 ACRES OF PROPERTY WITHIN A LARGER CITY-OWNED PARCEL AT 200 N LEE STREET (AS MORE FULLY DEFINED IN EXHIBIT A TO THIS RESOLUTION) IN ORDER TO PROVIDE MARKETABLE TITLE TO THE FEE SIMPLE INTEREST IN THE PARCEL FOR FUTURE USE BY THE DIA CONSISTENT WITH GOALS ESTABLISHED IN THE DIA BID AND CRA PLAN; INSTRUCTING ITS CHIEF EXECUTIVE OFFICER TO TAKE ALL ACTION NECESSARY TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.**

Mr. Steve Kelley explained that resolution approved the purchase and termination of a ground lease with Apex Color, a printing company operating from a 30,000 sq ft building at 200 N. Lee Street on city-owned land in the LaVilla district. The lease, originally signed in 1997 for 30 years at \$0.20/sq ft (approx. \$7,000/year), allowed rent offsets through maintenance expenses, resulting in no net income to the CRA. With just over two years remaining, the DIA negotiated a \$950,000 buyout, aligning the property with the LaVilla redevelopment strategy, which envisions

multifamily housing or regional offices. The buyout would restore full control of the site for future redevelopment consistent with the CRA and BID plans.

Committee Chair Caffey opened the floor for discussion.

Committee Member Hirabayashi asked why we feel we need to negotiate to buy this lease out and what did the contract say, as far as the lease terms. CEO Boyer responded that the lease allows the business to continue operating if it can be assigned, with no specific requirement to keep operations going. She continued that there would be ongoing discussions about assigning the lease or a potential buyout at market value. Mr. Kelley added that Member Hirabayashi was correct that the lease does call for conveyance of the vertical construction of the building located on the site, which would be owned by the lessee at the termination of the lease, but that they are not under a requirement to terminate the lease at this point.

Committee Member Fetner asked if the assignment allowed for the reconstruction of the building or the property. CEO Boyer responded that it was something that would be subject to approval of what would have to go through DDRB, but because they own the building, nothing was prohibiting them from reconstructing the interior.

Committee Member Heavener asked if DIA would receive around \$50,000 in incremental tax revenue after the increase of property taxes from \$20,000 to \$70,000. CEO Boyer asked Mr. Kelly to clarify what the \$70,000 was based on. Mr. Kelley responded full property at 4.3 million. CEO Boyer then responded that it was based on the property being fully in private hands and that the appraisal reflects its current value as an operating, privately owned, business parcel.

Committee Member Fetner asked who would be responsible for the property and maintaining that it's a safe place while the city or DIA owns it. CEO Boyer responded that DIA had not gotten that far and then explained. Committee Member Fetner mentioned that she wanted to make sure that the property would continue to be a safe place.

Committee Chair Caffey asked whether DIA knew what the condition of the building was. Mr. Steve Kelley responded that he did not believe that DIA was contemplating leasing the building and that it is in very good shape.

Committee Member Hirabayashi asked where DIA's \$950,000 payment would come from, and how it would impact the budget. CEO Boyer responded that it would not affect DIA's ability to carry out any currently planned projects and that the funds would be transferred or come from surplus allocations for programs that haven't received any applications.

Committee Member Hirabayashi asked if this resolution was approved by the Committee and Board, would that be the final approval required for that action. CEO Boyer responded that he was correct.

Committee Chair Caffey called for a motion on the resolution.

**Motion:** Committee Member Heavener moved to approve the resolution.  
**Seconded:** Committee Member Fetner seconded the motion, but only for discussion.

Committee Chair Caffey opened the floor for discussion.

Committee Member Fetner expressed that she was having difficulty balancing her frustration with the 30-year lease, which she believed was not in the best interest of the city. She also mentioned her concern that there was no plan for what would happen once DIA acquires the property. Because Member Fetner referenced the Related project, CEO Boyer outlined the details of that situation and then explained how this project differed from the Related project.

Committee Member Hirabayashi mentioned the 30-year lease, how it felt like a hostage situation, and how he struggled with still having to pay out \$950,000. CEO Boyer responded that she didn't think that so much and then explained why she didn't.

Committee Member Fetner asked if there was a legal document that explained the lease. CEO Boyer responded that there is a memo that she could provide even though it would not answer most of the questions being asked.

Committee Chair Caffey expressed that she would love to see all the economics of all the options available to them.

Board Member Hooper asked if there were any other deal structures provided by the lessee. Steve Kelley responded that there were none.

Committee Member Hirabayashi mentioned that he liked the idea of coming back from a strategic standpoint and looking at what the endgame would be, what the bigger picture is, seeing something in writing from a contractual standpoint that says DIA has very few options other than the buyout.

Committee Chair Caffey asked what the procedure was to withdraw the motion.

Mr. John Sawyer explained that the motion needed to be withdrawn by Committee Member Heavener who made the motion and if there were no objections, the motion would be withdrawn.

**Motion:** Committee Member Heavener moved to withdraw his motion to approve the resolution.

Seeing that there were no objections, Committee Chair Caffey advised that the item would be brought up at the Board meeting and then brought back to the committee to review and discuss the deliverables mentioned.

## **VII. DISCUSSION: SNYDER MEMORIAL DISPOSITION**

CEO Boyer mentioned the need for clearer communication on property dispositions due to public confusion and misinformation. She also mentioned the importance of open discussions to clarify DIA's plans and timelines. She recommended making Snyder Memorial Church the first property for disposition, noting it's ready for redevelopment and strong interest. She asked the Committee whether to proceed now or wait for a broker, which would delay the process by at least 90 days. Regarding the Ford on Bay site, CEO Boyer suggested waiting until fall, after market conditions improve and the optimization study is complete, before issuing a public RFP. Unsolicited proposals would not be accepted in the meantime. Other properties, including the SAC Seafood site and 324 North Broad Street, were mentioned as ongoing challenges. CEO Boyer then asked for Committee input on how to proceed with the disposition timeline.

Committee Chair Caffey opened the floor for discussion.

Committee Member Fetner asked what it would look like for this committee to see the proposals that have come in on Snyder so they're aligning with what the market is suggesting from the start. CEO Boyer responded that the request would be appropriate to an extent if Snyder was developing the RFP, but some of the content would be confidential. She added that she would be happy to provide the names of people that expressed interest.

Committee Member Fetner also asked if any part of the property would be able to be reconstructed. She mentioned the back of the church, having 2 stories of classrooms or offices and asked if the intention was for that part to remain in the same condition. Mr. Guy Parola mentioned that the 1917 addition makes the building over 100 years old. He stressed the need to find a viable use that could fund the whole structure and then invited others to tour it for better understanding.

Committee Member Fetner also asked if both buildings were protected as local landmarks. Mr. Parola responded yes.

Committee Member Fetner also asked if Mr. DeVault had a chance to assess the building from the perspective of a restaurant operator. Mr. Allan DeVault responded yes and that he has been inside the building in the past 3 to 4 months, and he did see its potential for a food and beverage operation, though some work would be needed.

Committee Chair Caffey asked regarding the offers if they were reasonable enough for that Board to consider at this stage. Mr. Kelley responded that he hadn't seen any true offers. He mentioned some of the offers but clarified that no one had submitted a formal unsolicited proposal with cost estimates, proposed acquisition prices, or anything substantive.

Committee Chair Caffey also asked what the reason would be to not list the property at this point. CEO Boyer responded that the only reason to delay preparing and issuing the RFP would be if they believed a broker could provide added value through broader outreach, such as distribution across their Southeast network.

Committee Member Fetner suggested the RFP or notice be more flexible to allow the developers or the respondents to be creative and not stuck with strict metrics.

Board Member Hooper expressed that the building was beautiful and mentioned a church in Ireland called St. Nicholas where events her held called tunes. He mentioned that there were some concepts that could be done in this building.

Committee Chair Caffey asked if an answer was needed that day on how to move forward. CEO Boyer noted that no one had definitively insisted on waiting for the broker and mentioned that the property could be on the agenda for discussion the following month. However, due to the aggressive schedule with Gateway and UF, and the need to work on potential deals for the APEX property, it may be delayed by a month.

## **IX. ADJOURNMENT**

Seeing no further discussion, Committee Chair Caffey adjourned the meeting at 11:39 am.

*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 Ava Hill at [avah@coj.net](mailto:avah@coj.net) to acquire a recording of the meeting.*