

RESOLUTION 2019-09-07

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 THE NEGOTIATED DISPOSITION PROCEDURE ADOPTED BY DIA, FOR AN APPROXIMATELY .77 ACRE PARCEL OF CITY-OWNED REAL PROPERTY LOCATED GENERALLY AT THE SOUTHWESTERLY CORNER OF THE INTERSECTION OF FORSYTH AND MAIN STREETS AND IDENTIFIED BY DUVAL COUNTY TAX PARCEL NUMBER 073670-0000; APPROVING THE TERMS AND CONDITIONS INCLUDED AS EXHIBIT ‘A’ AND EXPRESSING THE INTENTION TO DISPOSE OF SAID PROPERTY IN ACCORDANCE WITH THE NEGOTIATED TERMS TO VYSTAR CREDIT UNION (THE “COMPANY”) UPON EXPIRATION OF THE THIRTY DAY NOTICE PERIOD ABSENT HIGHER RESPONSIVE OFFERS; AND FINDING THAT THIS RESOLUTION FURTHERS THE BUSINESS INVESTMENT AND DEVELOPMENT (“BID”) PLAN, INCLUDING THE COMMUNITY REDEVELOPMENT AREA PLAN; AUTHORIZING CONVEYANCE OF CITY-OWNED REAL PROPERTY AS IDENTIFIED BY EXHIBIT “A” ATTACHED HERETO TO THE COMPANY, SUBJECT TO THE TERMS AND CONDITIONS AS SET FORTH IN EXHIBIT “A”; AUTHORIZING THE CEO OF THE DIA TO NEGOTIATE THE TERMS OF THE REDEVELOPMENT AGREEMENT AND LEASE AS NECESSARY FOR THE PROJECT; INSTRUCTING ITS CHIEF EXECUTIVE OFFICER (“CEO”) TO ALL NECESSARY ACTION TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION AUTHORIZING THE CEO TO INITIATE FILING LEGISLATION WITH THE CITY COUNCIL REGARDING THE SAME; AUTHORIZING THE CEO OF THE DIA TO EXECUTE SUCH AGREEMENTS; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City owns an approximately .77 acre parcel of real property identified by Duval County Tax Parcel Number 073670-0000 (“Property”), currently used by the City as a surface parking lot, as shown on Exhibit “A” attached hereto; and

WHEREAS, the City had previously approved the sale of the Property to the Barnett Developer for the same purchase price and with the same number of spaces reserved for nearby adaptive re-use projects, but the Barnett Developer’s right to purchase the Property and construct the garage Theron and the City’s obligation to master lease and operate the garage have terminated; and

WHEREAS, the City has negotiated the terms and conditions for the sale of the Property to the Company at its previously appraised value for construction of a parking garage thereon to contain a minimum of 550 spaces as further set forth on the term sheet attached hereto; and

WHEREAS, the Property is located within the North Bank Downtown Community Redevelopment Area (“North Bank CRA”); and

WHEREAS, DIA is the designated Community Redevelopment Agency for the North Bank CRA, to which a BID Plan, inclusive of a Community Redevelopment Plan, was adopted by Ordinance 2014-560-E; and

WHEREAS, in order to determine fair value for the property pursuant to Florida Statutes Chapter 163.380(2), and as required by City of Jacksonville Code of Ordinances §122.432, the DIA is obtaining an appraisal of the Property; and

WHEREAS, upon adoption of this Resolution, a 30-day notice for the solicitation of proposals pursuant to Section 163.380(3)(a), Florida Statutes, and Sections 122.434(a) and (b), Jacksonville Ordinance Code, will be issued; and

WHEREAS, the DIA finds that this resolution furthers the following Redevelopment Goal and Strategic Objectives found in the BID Plan:

Redevelopment Goal 1. Reinforce Downtown as the City’s unique epicenter for business, history, culture, education, and entertainment by increasing the opportunities for employment within Downtown; and supporting the expansion of entertainment, restaurant and retail/commercial within proximity to adjacent residential redevelopment, in particular the following Strategic Objectives:

- a. Increase the opportunities for Downtown employment.*(Garage development necessary to facilitate increase in number of employees an nearby office building)*
- b. Support expansion of entertainment and restaurant facilities.*(Spaces leased back to City will facilitate parking incentive for nearby development expected to include retail/restaurant)*
- c. Coordinate parking, pedestrian and transit systems to encourage strategically-placed parking that can accommodate multiple downtown destinations (“park once”).
- d. Protect and revitalize historic assets.*(parking lease retained for use by nearby historic buildings)*

Redevelopment Goal No. 3

Simplify the approval process for downtown development and improve departmental and agency coordination.

Strategic Objectives

Initiate public/private partnerships.

Provide publicly-owned land and building space for public and private development which will support and strengthen Downtown's commercial and residential base and comply with the other Redevelopment Goals; and

WHEREAS, the DIA finds that this resolution furthers CRA Plan Umbrellas 1. Economic Development; 4. Parking; 6. Historic Preservation; 7. Housing; and 9. Public Investment Properties; and

WHEREAS, Section 55.108 of the Jacksonville Code of Ordinances grants certain powers and duties to the DIA, including:

Interpreting the BID Plan and approve development and redevelopment projects within Downtown;

Implementing the BID Plan, and negotiate and grant final approval of downtown development and redevelopment agreements, grant agreements, license agreements, and lease agreements;

Plan and propose Projects and Public facilities within Downtown; and

WHEREAS, particular to the Central Core, there is a shortage of strategically located parking, and the construction of proposed garage both meets this need while providing the necessary reservation of spaces to allow the City to incentivize completion of nearby adaptive re-use projects;

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 has determined that absent a higher responsive bid that can demonstrate an ability to perform on the same terms and conditions, it will proceed to sell the Property to the Company in accordance with the term sheet attached hereto as Exhibit A.

Section 3. The DIA instructs the Chief Executive Officer of the Downtown Investment Authority to take all necessary action necessary to effectuate the Notice of Disposition for the Property in accordance with its Negotiated Notice of Disposition Process.

Section 4. Proposals received, if any, will be reviewed by the DIA Chief Executive Officer, who will make a recommendation to the DIA Board regarding any responsive alternate proposals received.

Section 5. If no alternate proposals are received, or if they are determined by the CEO to be lower in value or unresponsive to the specific intended use of the Property, the CEO

is authorized to enter into negotiation of final documentation with the Company regarding disposition of the Property in accordance with the term sheet attached as Exhibit A.

Section 6. City Council approval will be required to authorize any disposition via legislative action.

Section 7. This Resolution shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY


Craig Gibbs, Chair

9/18/19
Date

VOTE: In Favor: 6 Opposed: 0 Abstained: 0

Exhibit A to Resolution 2019-09-07

Term sheet for Parking Garage on City Owned lot at corner of Main and Forsyth

Land (Garage Parcel):

- That certain real property currently owned by the City and currently used as a surface parking lot located generally at the southwest corner of the intersection of Forsyth and Main Streets in Jacksonville, Florida, as more particularly described on Exhibit A attached hereto.
- The Parcel will be conveyed through a process compliant with the DIA Disposition of Property procedures as a Negotiated Disposition. (30 day public notice of proposed disposition required)
- The conveyance will be subject to a reversion clause to ensure that a structured parking facility of no less than 550 spaces is built.
- Construction shall commence within 3 months of closing, and subject to unavoidable delays be completed within 15 months of commencement.
- The City acknowledges that the Parking Lot Developer may acquire additional land adjacent to the Garage Parcel and may, in the Parking Lot Developer's sole discretion, include such additional lands in the development of the Parking Garage or may expand the size of the Parking Garage to facilitate development of other improvements on such adjacent land. Any such additional, adjacent lands acquired shall automatically be included within the definition of Garage Parcel, and Parking Lot Developer shall supply certified legal descriptions of the Garage Parcel (inclusive of any adjacent lands).

Purchase price: \$ 943,403 (same price as former contract sale price with Barnett developer)

Closing: To occur within 30 days of Developer's Acceptance Date of condition of title and site. Site to be sold "as is"

Parking Garage:

- That certain, to-be-constructed structured parking facility containing no less than five hundred fifty (550) spaces on the Garage Parcel to be used as contemplated in this Agreement.
- The Developer will design, finance, construct and operate the parking facility.
- The Developer will lease to the City (DIA) up to 250 spaces (as required for use by the City in connection with facilitating redevelopment of nearby adaptive re-use of historic properties) within the garage on a monthly basis for twenty years (240 months) at the rate of \$100 per month per space which the City may sublease or otherwise utilize to incentivize other Downtown developments. In the event that the needs of nearby developments which the City wishes to incentivize can be achieved with fewer spaces or on a shared use basis, the CEO is authorized to negotiate and amend the terms of the City lease for the referenced 250 spaces. Such reservation shall not exceed 125 spaces until such time as the Trio Project is completed and available for occupancy. The number of spaces reserved for lease to the City 24/7 may be reduced based on mutual agreement if additional shared use spaces are provided at a lower lease rate.

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

These proposed financial terms are subject to and contingent upon the approval of the Downtown Investment Authority, the City of Jacksonville Administration, and the Jacksonville City Council.

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