

RESOLUTION 2019-08-02

A RESOLUTION APPROVING, AND AUTHORIZING THE CHIEF EXECUTIVE OFFICER ("CEO") OF THE DOWNTOWN INVESTMENT AUTHORITY ("DIA") TO NEGOTIATE AND ENTER INTO A REDEVELOPMENT AGREEMENT AND RESTRICTIVE COVENANT AMONG THE CITY OF JACKSONVILLE, DIA, AND BLUE CROSS & BLUE SHIELD OF FLORIDA, INC. (THE "COMPANY"), TO SUPPORT THE DEVELOPMENT OF A STRUCTURED PARKING FACILITY (THE "PARKING GARAGE") WITH A MINIMUM OF AT LEAST 750 PARKING SPACES (THE "PROJECT"); 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 A PARKING GARAGE GRANT IN THE AMOUNT OF \$3,500,000 TO THE COMPANY PAYABLE UPON SUBSTANTIAL COMPLETION OF THE PARKING GARAGE; AUTHORIZING THE CEO OF THE DIA TO NEGOTIATE THE TERMS OF THE REDEVELOPMENT AGREEMENT AND RESTRICTIVE COVENANTS AS NECESSARY FOR THE PROJECT; 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, Company has responded to ISP-0565-19 and following scoring the responses received, and consideration by the DIA Board, the DIA Board has selected the Company as the respondent with whom it wishes to proceed; and

WHEREAS, Company has committed to cause the construction of a Parking Garage, having a minimum of 750 parking spaces to be located on what is currently City-owned real property having R.E. # 090059-0000 to be purchased by the Company (the "Project Parcel"), located in the Northbank Community Redevelopment Area; and

WHEREAS, to assist the Company in constructing the Parking Garage the DIA proposes to offer a Parking Garage Grant in the amount of \$3,500,000, payable upon substantial completion of the Parking Garage and after the Company enters into a restrictive covenant providing use of the Parking Garage by the general public after 6:00 p.m. nightly and on weekends, for a term of 39 years; and

WHEREAS, the Downtown Investment Authority ("DIA") is authorized per section 55.108 *Economic Development* of the City Ordinance Code, to utilize the Tax Increment Finance District Trust Funds to foster the redevelopment of the Downtown Community Redevelopment Area; and

WHEREAS, a minimum precondition of the Parking Garage Grant shall be that the Parking Garage has been completed,

NOW THEREFORE BE IT RESOLVED, by the Downtown Investment Authority:

Section 1. The recitals set forth above are true and correct and are hereby incorporated herein by this reference.

Section 2. The DIA Board has determined that the Project is consistent with the following NorthBank Downtown Community Redevelopment Area Plan Redevelopment Goals:

- (i) 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. *(Public availability of garage spaces on nights and weekends essential to meet demand for existing and proposed nearby retail/restaurant)*
 - c. Coordinate parking, pedestrian and transit systems to encourage strategically-placed parking that can accommodate multiple downtown destinations ("park once"). *(Location will support both Riverside and Park street retail/restaurants)*
- (ii) Goal 3. Simplify the approval process for downtown development and improve departmental and agency coordination, in particular the following Strategic Objectives:
 - a. 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 other redevelopment goals. *(such as eliminating surface parking lots, especially on the waterfront)*
 - b. Initiate public /private partnerships.
- (iii) Goal 4. Improve walkability/bikeability and connectivity to adjacent neighborhoods and the St. John River while creating highly walkable nodes, in particular the Following Strategic Objectives:
 - a. Create a mixture of uses so that housing, activities, retail and other businesses are within useful walking distance. *(provides essential parking to meet demand for existing and proposed nearby retail/restaurant)*

- b. Shape the sidewalks and streets through the sense of enclosure provided by buildings. *(Utilizes underdeveloped City owned parcel and creates urban form adjacent to sidewalks)*

- (iv) Goal 5. Establish a waterfront design framework to ensure a unique experience and sense of place. *(Elimination of surface parking on waterfront)*

Section 3. Authorizing the CEO to negotiate the terms of a redevelopment agreement and parking garage restrictive covenant guaranteeing the right of use by the general public of the Parking Garage as described above.

Section 4. Authorizing the CEO to initiate legislation for approval by City Council of the Redevelopment Agreement and Parking Garage Restrictive Covenant and related documents authorizing the economic incentives authorized hereby.

Section 5. Authorizing the CEO of the Downtown Investment Authority to execute said agreements subject to the terms as described above.

Section 6. This Resolution, 2019-08-02, shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY


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Craig Gibbs Vice- Chairman

August 8, 2019

Date

VOTE: In Favor: 7 Opposed: 0 Abstained: 0

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EXHIBIT A

Term Sheet

Summary of Terms and Conditions

City/DIA Responsibilities:

- Real Property Conveyance. Subject to City Council approval, City shall convey that certain City-owned real property having R.E. # 090059-0000 to the Company at no cost. The appraisal prepared for DIA and dated July 3, 2019 values the site at \$3.17 million.
- DIA Parking Garage Grant. The DIA authorizes a Parking Garage Grant to the Company in the amount of \$3,500,000, payable upon substantial completion of the Parking Garage, and execution by the Company of the Parking Garage Restrictive Covenant, authorizing use of the Parking Garage after 6:00 pm nightly and 24 hour use on weekends. The Restrictive Covenant shall be recorded in the public records and must be superior in title to all other liens and encumbrances on the property.

Company Responsibilities:

- The Company shall take title to the project parcel consistent with the redevelopment agreement, and construct the Parking Garage in the time frames as set forth in the Redevelopment Agreement. Upon substantial completion of the Parking Garage, the Company shall enter into the Restrictive Covenant for a 39 year term, for use of the Parking Garage after 6:00 p.m. nightly and 24/7 use on weekends and national holidays.

Performance dates:

- Closing shall take place on or before January 3, 2020.
- The Company shall commence construction on or before March 31, 2020
- The Company shall complete construction on or before March 31, 2021

City Safeguards

- Deed to contain right of reverter if construction not commenced by March 31, 2020
- Parking Grant not payable until completion of garage and execution of Restrictive Covenant



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LEGEND



SITE



SURFACE PARKING TO BE REMOVED



Not To Scale
July 31, 2019