

RESOLUTION 2018-04-01

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AUTHORIZING A REDEVELOPMENT AGREEMENT (“REDEVELOPMENT AGREEMENT”) AMONG THE CITY, DIA AND ELEMENTS DEVELOPMENT OF JACKSONVILLE, LLC (“ELEMENTS”) AND RELATED AGREEMENTS AS DESCRIBED IN THE REDEVELOPMENT AGREEMENT FOR THE REDEVELOPMENT OF THE PARCEL OF LAND KNOWN GENERALLY AS THE JEA SOUTHSIDE GENERATING PARCEL LOCATED IN THE SOUTHSIDE COMMUNITY REDEVELOPMENT AREA (“SOUTHSIDE CRA”); APPROVING A SOUTHSIDE CRA CAPITAL IMPROVEMENT PROJECT FOR PUBLIC SPACE AND RELATED INFRASTRUCTURE IN THE UP TO AMOUNT OF \$26,410,000; PROVIDING DIA ACKNOWLEDGMENT OF ITS OBLIGATION TO REIMBURSE THE CITY FOR CITY FUNDING PROVIDED TO THE DIA TO BE APPLIED TO THE COST OF THE PUBLIC SPACE AND RELATED INFRASTRUCTURE PROJECT; AUTHORIZING A RECAPTURE ENHANCED VALUE (“REV”) GRANT IN AN AMOUNT NOT TO EXCEED \$56,025,000; AUTHORIZING THE CEO OF THE DIA TO FURTHER NEGOTIATE AND ENTER INTO THE FOREGOING AGREEMENTS AND SUCH ADDITIONAL AGREEMENTS AND DOCUMENTS AS NECESSARY TO EFFECTUATE THE PURPOSES HEREOF AND TO PROTECT THE INTERESTS OF THE DIA AND CITY, PROVIDED THERE IS NO INCREASED FINANCIAL OBLIGATION TO THE DIA, AND SUBJECT TO THE REVIEW AND APPROVAL OF THE OFFICE OF GENERAL COUNSEL; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the JEA, a body politic and corporate (“JEA”) entered into a Purchase and Sale Agreement dated February 11, 2015 (the “PSA”) with the Developer for the purchase of the property known generally as the JEA Southside Generating Parcel located in the Southside CRA (the “Property”); and

WHEREAS, the project site is a listed project in the Southside CRA Plan and BID Strategy duly executed by the DIA and is eligible for economic incentives and financial assistance; and

WHEREAS, on November 28, 2017, JEA extended the closing date of the PSA until March 30, 2018, for the purpose of allowing the Developer, City of Jacksonville (“City”) and DIA to reach agreement on and have approved by City Council an assignment of the PSA to the City (the “Nomination Agreement”), the Developer withdrew from this offer and negotiated a further extension of the closing Date with JEA to July 16, 2018; and

WHEREAS, the negotiations between Elements and the DIA have resulted in the preliminary and non-binding terms and components set forth in the memorandum attached to this Resolution as Exhibit “A” (the “Memorandum”) and incorporated herein, which includes: (i) the City, DIA, Elements and the to-be-created Community Development District (“CDD”) entering into, as applicable, a Redevelopment Agreement and related documents as described above; (ii) a conveyance of park, Riverwalk, bulkhead and right-of-way lands from Elements to the City of Jacksonville; and (iii) a Southside CRA Capital Improvement Project on the property conveyed to the City, to be constructed by the CDD and paid for by the DIA on a cost reimbursement basis through an interlocal/cost reimbursement agreement with the CDD; and (iv) a CDD Capital Improvement project funded by the CDD; and

WHEREAS, the Southside CRA Capital Improvement Project will include: (i) an extension of the Southbank Riverwalk & Bulkhead; (ii) Riverfront Park Space; (iii) access roads to the park space; and (iv) a nature trail surrounding the Property; and

WHEREAS, the DIA shall, as described in the Memorandum, coordinate with the Public Works department of the City of Jacksonville to employ an Owner’s Representative to oversee the Public Space and Related Infrastructure work performed; and

WHEREAS, the DIA will provide a REV Grant to Elements in the amount of 75% of the ad valorem taxes actually received by the DIA for a term expiring December 31, 2040, which is the expiration date of the Southside CRA, in an up-to maximum amount of \$56,025,000; and

WHEREAS, the DIA and Elements, subject to further negotiation with the City and subject to City Council approval, desire to enter into the agreements described herein consistent with the Memorandum, as the same may be further negotiated as authorized herein.

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 hereby approves and directs the CEO to seek all contingent and other necessary approvals, including the filing of legislation with the City Council to effectuate the execution of the Redevelopment Agreement and related documents described therein and herein and such other related documents as may be required to effectuate the purposes hereof, with no increase in the financial obligations of the DIA, and subject to the review and approval of the Office of General Counsel.

Section 3. Upon approval by City Council, the CEO is authorized to execute such documents on behalf of the DIA.

Section 4. This Resolution shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Karen Anderson

[Signature]
James Bailey, Chairman

April 11, 2018
Date

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

