RESOLUTION 2026-07-04

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY APPROVING THE NEGOTIATED TERM SHEET BETWEEN THE DOWNTOWN INVESTMENT AUTHORITY AND JACKSONVILLE VENTURES LLC AND/OR ITS AFFILIATED ATLAS RESTAURANT GROUP ENTITY FOR THE LEASE, DEVELOPMENT, CONSTRUCTION, AND OPERATION OF THE RIVERFRONT PLAZA RESTAURANT FACILITY LOCATED AT 2 INDEPENDENT DRIVE WEST; FINDING THAT THE NEGOTIATED TERM SHEET FULFILLS THE DIRECTION PROVIDED IN RESOLUTION 2026-05-03; AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO EXECUTE DEFINITIVE TRANSACTION DOCUMENTS; PROVIDING FOR THE CORRECTION OF ERRORS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on May 20, 2026, the Downtown Investment Authority adopted Resolution 2026-05-03 accepting the recommendation of the Evaluation Committee and authorizing the Chief Executive Officer to enter into exclusive negotiations with Atlas Restaurant Group for the lease, development coordination, and operation of the Riverfront Plaza restaurant facility; and

WHEREAS, Resolution 2026-05-03 further authorized negotiation of a Term Sheet, Lease Framework, Cost Disbursement Agreement, Temporary Construction Easement, and related project delivery documents for subsequent Board consideration; and

WHEREAS, staff has completed those negotiations and the attached Term Sheet reflects the mutually agreed business terms necessary to implement the project; and

WHEREAS, the Board finds that the negotiated Term Sheet fulfills the direction previously provided to staff and remains in furtherance of the redevelopment and activation goals of the Northbank Community Redevelopment Area Plan,

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

Section 1. The foregoing recitals are true and correct and are incorporated herein by this reference.

Section 2. The Board hereby approves the Negotiated Term Sheet attached hereto as Exhibit A and finds that it fulfills the direction provided in Resolution 2026-05-03.

Section 3. The Chief Executive Officer, or his designee, is hereby authorized to continue negotiating and finalize the Lease Agreement, Temporary Construction Easement, and such other documents as are reasonably necessary to implement the transaction, provided such documents are substantially consistent with the approved Term Sheet and approved as to form by the Office of General Counsel. The Chief Executive Officer is further authorized to prepare and submit any legislation necessary for consideration by the Jacksonville City Council to implement the approved transaction.

Section 4. The Chief Executive Officer is further authorized to approve non-material revisions, technical corrections, and administrative changes that do not materially alter the business terms approved by the Board and that are necessary to effectuate the intent of this Resolution.

Section 5. To the extent there are typographical, clerical, or administrative errors that do not change the tone, tenor, or context of this Resolution, DIA staff is authorized to correct such errors without further Board action.

Section 6. This Resolution, 2026-07-04, shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Patrick Krechowski, Esq., Chair — Date: 7/15/26

VOTE: In Favor: _____ Opposed: _____ Abstained: _____

RESOLUTION 2026-07-04
EXHIBIT A

TERM SHEET
RIVERFRONT PLAZA RESTAURANT DEVELOPMENT PAD B

Downtown Jacksonville, Florida

This non-binding Term Sheet summarizes the principal business terms proposed between the Downtown Investment Authority ("DIA" or "Landlord") and Jacksonville Ventures LLC and/or affiliated entity designated by Atlas Restaurant Group ("Tenant" or "Operator") for the lease, construction, and operation of a riverfront food and beverage establishment at Riverfront Plaza in Downtown Jacksonville, Florida.

1. PARTIES (Both)

- **Landlord:** Downtown Investment Authority of the City of Jacksonville
- **Tenant / Operator:** Jacksonville Ventures LLC or affiliated Atlas Restaurant Group entity reasonably acceptable to Landlord

2. PREMISES (Both)

- **Location:** Riverfront Plaza – Development Pad B, Downtown Jacksonville, Florida
- **Approximate Premises:** Approximately 10,000 square feet of land with a restaurant comprising approximately 6,000 square feet of conditioned interior space on ground floor, a 1,500 square foot outdoor patio on ground level, 1,500 square feet of conditioned interior space on second level and 1,500 square feet of second level outdoor terraces, subject to final design and survey. There will be a designated location and access to a remote refuse area to accommodate a commercial dumpster and grease receptacles.
- **Permitted Use:** Full-service restaurant and bar with indoor and outdoor dining, rooftop activation, catering, private events, and related ancillary retail and hospitality uses.
- **Exterior Hours/Entertainment:** Hours of operation, live music, and amplified sound subject to landlord consent (not to be unreasonably withheld, conditioned, or delayed) and mutually agreed decibel limits; noise mitigation measures required. Notwithstanding anything to the contrary herein, Tenant shall be required to comply with all applicable ordinances and regulatory requirements with respect to noise control.

3. TERM (Lease)

- **Initial Term:** Ten (10) years
- **Renewal Options:** Two (2) consecutive renewal options of ten (10) years each.
- **Renewal Notice Period:** Tenant shall provide written notice of intent to renew not less than twelve (12) months and not more than eighteen (18) months prior to expiration.
- **Rent Commencement:** Upon Substantial Completion, issuance of Certificate of Occupancy, and Tenant being ready to open for business.

4. RENT (Lease)

- **Base Annual Rent:** $560,000 annually payable monthly at $46,666.67
- **Annual Escalations:** 3% annual increases during the Initial Term and the first Renewal Option Period (if exercised)
- **Percentage Rent:** 5% of Gross Sales in excess of the Natural Breakpoint
- **Natural Breakpoint:** $11,200,000 annually
- **Reporting Requirements:** Monthly/quarterly sales and sales tax (DR-15) reports, annual reconciliations.
- **Audit Rights:** Landlord may audit tenant sales records annually; if discrepancy in reported Gross Sales >5%, then tenant pays reasonable audit costs. If audit reveals overpayment by Tenant, Landlord may, at its option, refund the overpayment or credit the amount of overpayment against future rent payments.
- **Late Charges:** 1.5% monthly interest on overdue amounts or maximum allowed by law, whichever is less.
- **Renewal Rent:** Beginning at the Second Renewal Option Period (i.e., Year 20), at fair market rent (FMV) which will be determined as follows:
  - Equal to whatever monthly Minimum Annual Rent (plus whatever periodic adjustments) Landlord is then quoting to prospective tenants for new leases of comparable space for a comparable term (as confirmed by written statement to Tenant by a representative of Landlord). Notwithstanding the above provisions to the contrary: (A) in no event will the adjusted Minimum Annual Rent be less than Minimum Annual Rent for the immediately preceding period increased by 3%, nor more than the immediately preceding period increased by 10%; and (B) in the event Tenant has not agreed in writing to accept the monthly Minimum Annual Rent ninety (90) days prior to the expiration of the then existing term, the parties shall submit the determination of fair market rent to a neutral mediation process using qualified commercial real estate appraisers, and the Lease shall continue in effect pending resolution.
- **Security:** Letter of credit or cash deposit equal to 3 months' base rent, or alternative equivalent guaranty acceptable to DIA in its sole discretion.
- **Guarantor:** Atlas Restaurant Group (or its parent entity) shall provide a limited one-year rolling guaranty of Tenant's obligations under the Lease. Such rolling guaranty shall be in place for a period of three (3) years from Rent Commencement, after which the guaranty shall automatically terminate.

5. OPERATING EXPENSES / RESPONSIBILITIES (Lease)

- **Lease Structure:** Triple Net (NNN), subject to the terms and conditions set forth in this Term Sheet and the Lease Agreement
- **Tenant Responsibilities:** Tenant shall be responsible for all operating expenses associated with the Premises, including CAM charges, utilities, insurance, routine maintenance, janitorial services, landscaping, repairs, and replacement of tenant improvements, FF&E, kitchen equipment, and other day-to-day operational items.
- **Property Taxes:** Tenant shall be responsible for all property taxes, real estate taxes or assessments to the extent that such taxes or assessments are attributable to the

Premises. Notwithstanding the foregoing, in the event the Premises are subject to real property taxes or assessments, Tenant may deduct the amount of such real estate taxes or assessments from its monthly rent payments.

- **Landlord Responsibilities:** Landlord shall be responsible for capital repairs and replacements to the building structure, roof, foundation, exterior walls, and major building systems not resulting from Tenant negligence, misuse, or Tenant's specific operations. Landlord shall commence such repairs within a commercially reasonable time after notice from Tenant and diligently pursue completion.
- **Repair and Deduct Right:** Tenant may, upon written approval from DIA, perform capital repairs and deduct the cost from future rent payments after approval from DIA. In the event of an emergency situation when it is not possible to obtain DIA approval in order to timely address the emergency, Tenant may make the minimum repairs required to address the emergency without obtaining prior approval from DIA. In such event, DIA reserves the right to refuse to reimburse some or all of the cost of any repair that it determines in its reasonable discretion was not reasonable or necessary under the circumstances.
- **Utilities:** Tenant shall establish accounts and pay all utility charges directly to the applicable providers.

6. INSURANCE & INDEMNITY (Lease)

- **Tenant Insurance:** Commercial general liability (minimum $2M per occurrence/$4M aggregate or higher as required), property insurance on tenant improvements and FF&E, workers' comp, business interruption (as negotiated and subject to approval by the COJ Risk Management Division).
- **Landlord as Additional Insured:** Tenant to name Landlord and the City of Jacksonville as additional insured and provide waiver of subrogation.
- **Indemnity:** Tenant indemnifies Landlord for claims arising from Tenant's use, operations, or negligence. Subject to, and within the limitations set forth in Section 768.28, Florida Statutes, Landlord indemnifies Tenant for claims arising from Landlord's negligence or willful misconduct. Landlord's indemnification of Tenant shall not operate as a waiver of Landlord's sovereign immunity.

7. PARKING ACCESS (Lease)

- **Parking:** To be negotiated; propose designated parking allocation plus valet rights for peak service; parking revenue share/permits as applicable.
- **Loading and Deliveries:** Tenant to use designated loading area; coordinate times to minimize disruption to park activities. Refuse and yellow grease removal shall be permitted during a mutually agreed midday window (e.g., 1:00 pm – 3:00 pm) and after 10:00 PM, or as otherwise reasonably agreed between the parties.

8. DEFAULT & REMEDIES (Lease)

- **Monetary Default:** Five (5) business days to cure after written notice from Landlord.
- **Non-Monetary Default:** Thirty (30) days to cure (longer if reasonable to cure).
- **Remedies:** Standard landlord remedies including termination, re-entry, and recovery of damages; attorney's fees for prevailing party.

9. DEVELOPMENT STRUCTURE (RDA)

- **Construction Delivery:** Atlas Restaurant Group and/or Tenant shall serve as developer and builder of the shell building and tenant improvements.
- **Cost Disbursement Agreement:** DIA shall enter into a Cost Disbursement Agreement with Atlas and/or Tenant which shall set forth the process for Tenant's submission of proof of payment of invoices to DIA and DIA's prompt payment of such invoices to Tenant within 10 business days.
- **DIA Contribution:** Up to $8,000,000 toward eligible shell and warm-shell construction costs.
- **Tenant Contribution:** Approximately $4,000,000 toward FF&E, OS&E, specialty equipment, working capital, and non-reimbursable soft costs.
- **Temporary Construction Easement:** City/DIA shall provide Tenant with a Temporary Construction Easement over the premises (and surrounding area, as negotiated between the parties) for the purpose of constructing the structure.

10. ELIGIBLE REIMBURSABLE COSTS (RDA)

- **Eligible Costs:** Hard construction costs, structural work, MEP systems, kitchen hood systems, grease interceptors, fire suppression, site work, architecture, engineering, and permitting.
- **Excluded Costs:** Liquor licenses, working capital, pre-opening expenses, and unapproved specialty equipment.

11. DISBURSEMENTS (RDA)

- **Reimbursement Process:** Draws against paid invoices, lien waivers, and architect certifications; Landlord to reimburse within 30 days of complete submission.
- **Holdback:** 10% retainage withheld until final completion and closeout.
- **Cost Overruns:** Tenant responsible for all overruns.

12. DESIGN & APPROVALS (RDA)

- **Approvals:** Tenant responsible for obtaining all DDRB approvals, permitting, and other governmental approvals, including, but not limited to, signage and code compliance issues. DIA shall reasonably cooperate and assist Tenant in obtaining such approvals, provided that nothing herein shall operate as an obligation on the part of DIA to issue any particular approval in its regulatory capacity. Permitting fees and governmental application costs shall be eligible reimbursable costs under the Cost Disbursement Agreement.
- **Plan Review:** All plans and specifications included, but not limited to exterior, rooftop equipment, riverfront improvements and signage are subject to DIA approval (DIA shall respond within 15 business days of submission; failure to respond within such period shall be deemed approval). Notwithstanding the foregoing, no plans or specifications shall be deemed approved if such plans or specifications are required to be approved by any agency, body, board, department, or division other than DIA, including but not limited to the Downtown Investment Authority Board or the Downtown Development Review Board. Further, no item shall be deemed approved if it is determined that the item does not comply with applicable federal, state, or local laws, codes, ordinances, orders, or regulations.

- **Schedule:**
  - Design DD/CD: 8–12 weeks;
  - Permitting: 8–16 weeks;
  - Construction 46-52 weeks; Target
  - Substantial Completion: ~18-24 months from RDA execution (subject to permitting)
  - Target Opening is Fall 2028

13. OPERATING COVENANTS (Both)

- **Operations:** Tenant shall continuously operate a high-quality food and beverage establishment consistent with the approved concept, except during periods of force majeure, casualty, condemnation, renovation, or other circumstances beyond Tenant's reasonable control.

By their signatures below, the parties represent that the matters set forth in this Term Sheet are an accurate summary of the general terms and conditions of the proposed transaction between the parties as of the date set forth below. This Term Sheet does not constitute a binding contract, and the parties do not intend to be legally bound unless and until a definitive Lease Agreement and Cost Disbursement Agreement have been executed by both parties.

[SIGNATURES ON FOLLOWING PAGE]

Accepted and agreed to this 7th day of July, 2026 by:

Atlas Restaurant Group, LLC,
a Maryland limited liability company

By: _____
Alexander F. Smith, Manager

Downtown Investment Authority,
a community redevelopment agency
on behalf of the City of Jacksonville

By:
Colin Tarbert, CEO