



**Downtown Investment Authority  
Retail Enhancement and Property Disposition Committee**

**Hybrid Virtual In-Person Meeting  
Tuesday, February 14, 2023 at 3:30 p.m.**

## **RE&PD AGENDA**

Oliver Barakat, Chair  
Jim Citrano, Committee Member

Carol Worsham, Ex Officio

Committee Members Excused:

- I. CALL TO ORDER
- II. PUBLIC COMMENTS
- III. DECEMBER 14, 2022 RE&PD COMMITTEE MEETING MINUTES APPROVAL
- IV. RESOLUTION 2023-02-03: JFRD PARKING DISPOSITION
- V. RESOLUTION 2023-02-04: CARTER EXTENSION
- VI. OTHER MATTERS TO BE ADDED AT THE DISCRETION OF THE CHAIR
- VII. ADJOURN

---

### **MEETING LOCATION**

#### **Physical Location**

Jacksonville Public Library-Main Library/Downtown  
303 North Laura Street  
Multipurpose Room (located in the Conference Center)  
Jacksonville, Florida 32202

**PLEASE NOTE:** The multipurpose room will **not be accessible through the Main Street entrance**. The Main Street entrance will be closed. Please use the Laura Street entrance to enter the building.

Visitors are encouraged not to enter City owned public buildings if they have: symptoms of COVID-19, a fever of 100.4 degrees Fahrenheit or higher, are currently undergoing evaluation for COVID-19 infection, a diagnosis of COVID-19 in the prior 10 days, or have had close contact with someone infected with COVID-19 during the prior 14 days. Any member of the public entering City owned public building may choose to wear a mask inside the building.



**Downtown Investment Authority  
Retail Enhancement and Property Disposition Committee**

**Hybrid Virtual In-Person Meeting  
Tuesday, February 14, 2023 at 3:30 p.m.**

**VIRTUAL LOCATION**

Interested persons desiring to attend this meeting virtually can do so via Zoom (including by computer or telephone) using the following meeting access information:

**Join Zoom Meeting**

<https://us02web.zoom.us/j/82534306765?pwd=MDdaN2xpTTFzZ3gxUmNRQTM3Mm1GZz09>

Meeting ID: 825 3430 6765

Passcode: 186971

**One tap mobile**

+1 (312) 626-6799 (Chicago)

+1 (646) 558-8656 (New York)

Find your local number: <https://us02web.zoom.us/u/keg325N2hY>

**TAB IV**

**RESOLUTION 2023-02-03: JFRD PARKING DISPOSITION**

## RESOLUTION 2023-02-03

**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; AUTHORIZING THE PUBLICATION OF A NOTICE OF DISPOSITION FOR THE FEE SIMPLE DISPOSITION OF ALL OF AN APPROXIMATELY 0.17 ACRE PARCEL OF CITY-OWNED REAL PROPERTY IDENTIFIED BY DUVAL COUNTY TAX PARCEL NUMBER RE# 073856-0000, (THE “PROPERTY”), CURRENTLY DEVELOPED AS A PARKING LOT AND LOCATED ON WEST ASHLEY STREET BETWEEN HOGAN AND JULIA STREETS; ESTABLISHING THE TERMS OF THE PUBLISHED NOTICE OF DISPOSITION; 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.**

**WHEREAS**, via Ordinance 2012-0364-E, the City Council created the Downtown Investment Authority, designating the DIA as the City’s Community Redevelopment Agency for the Combined Northbank Downtown Community Redevelopment Area and authorizing it to approve and negotiate economic development agreements and dispose of City-Owned property; and

**WHEREAS**, the City owns an approximately 0.17-acre parcel of real property, which is identified by Duval County Tax Parcel Number RE# 073856-0000 (the “City Parcel”); and

**WHEREAS**, Developer is the owner of the adjacent parcels identified by Duval County Tax Parcel Number RE# 073857-0000 and 073855-0000 (the “Developer’s Parcels”); and

**WHEREAS**, Developer and DIA are in negotiations for redevelopment of the City’s parcel together with the Developer’s Parcels, and in response to those negotiations the DIA issued and awarded a Notice of Disposition for the City Parcel via Resolutions 2022-10-02 and 2022-12-02, respectively, to the CLL Jones Bros LLC (the “Developer”); and

**WHEREAS**, the aforementioned Notice of Disposition included a requirement that closing on the property occur on or by March 31, 2023; and

**WHEREAS**, the Developer has diligently proceeded with redevelopment plans for the new construction portion of the development, including receiving Downtown Development Review Board approvals; however, it is not possible for the additional approvals for the various incentives, which require both DIA and City Council approvals, to be obtained prior to March 31<sup>st</sup>; and

**WHEREAS**, the DIA desires to continue negotiations with the Developer and anticipates approval of the terms and conditions of a Redevelopment Agreement in March of 2023, with City Council consideration in May of 2023; and

**WHEREAS**, in furtherance of Redevelopment Agreement terms and conditions, the DIA desires to issue a new Notice of Disposition in accordance with its negotiated disposition policy with the terms and conditions identified in Section 2 of this Resolution; 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 the proposed disposition and redevelopment proposal further the following Redevelopment Goal and Strategic Objectives currently found in the BID/CRA Plan:

**Redevelopment Goal No. 2 | Increase rental and owner-occupied housing Downtown targeting diverse populations identified as seeking a more urban lifestyle.**

**Strategic Objectives:**

- Actively pursue a minimum of 8,140 built and occupied multi-family dwelling units by 2030; and strive to induce the construction of 425 multifamily dwelling units per year, on average (T/E).
- Maximize utilization of existing parking structures and minimize construction of new parking structures exclusively for use of single building tenants by employing tools such as shared-use parking, proximity to shared transportation, and similar programs.
- Facilitate the restoration and rehabilitation of Downtown Jacksonville's historic building stock for multifamily and attached dwelling units.

**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 instructs the Chief Executive Officer of the Downtown Investment Authority to take all necessary action necessary to effectuate the thirty (30) day Notice of Disposition for the Property in accordance with its Negotiated Notice of Disposition Process and pursuant to the terms and conditions set forth below:

- Fee simple conveyance of the Disposition Parcel for incorporation into a mixed-use residential development; and

- In consideration for fee simple conveyance of the Disposition Parcel, the Developer shall provide to the JFRD, for JFRD’s exclusive use, an equal number of replacement parking spaces on or immediately adjacent to the Disposition Parcel, being at no charge, and in perpetuity. Noting further that prior to those permanent spaces being constructed and ready for use, an interim solution for replacement parking at no cost to JFRD or the City will be provided by the Developer in a location acceptable to JFRD; and
- The Developer shall commit to closing on the property within six (6) months from expiration of the notice period of a Notice of Disposition, currently expected to be six months from March 20, 2023, or September 20, 2023. The DIA through separate action may, at their sole discretion, extend that closing date.

**Section 3.** If no alternate responsive and qualified proposals are received, or if they are determined by the CEO to be lower in value or otherwise a less desirous proposal than that negotiated with the Developer, no further action by the DIA is required and its CEO may proceed with concluding negotiations of a Redevelopment Agreement or functional equivalent with the Developer, the terms and conditions of which will require approval by the DIA by separate action.

**Section 4.** The DIA Board hereby authorizes the CEO of the Downtown Investment Authority to take all action necessary to effectuate the purposes of this Resolution.

**Section 5.** This Resolution, 2023-02-03, shall become effective on the date it is signed by the Chair of the DIA Board.

**WITNESS:**

**DOWNTOWN INVESTMENT AUTHORITY**

\_\_\_\_\_

\_\_\_\_\_  
Carol Worsham, Chair

\_\_\_\_\_  
Date

VOTE: In Favor: \_\_\_\_ Opposed: \_\_\_\_ Abstained:

**SUPPLEMENTAL INFORMATION**  
**JFRD PARKING DISPOSITION STAFF REPORT**

**Downtown Investment Authority  
JFRD Parking Lot Disposition  
Resolution 2023-02-03  
Staff Report  
February 15, 2023**

**Background:**

In 2018, via Resolution 2018-03-01, the DIA approved a Redevelopment Agreement that included an Historic Preservation Trust Fund Grant in the amount of \$1,500,000; a \$750,000 loan to ACE JAX LLC (Now CLL Jones Bros LLC, or “Developer”) in support of the renovation and redevelopment of the Jones Bros Furniture building; and the disposition of a 0.17-acre surface parking lot (“Disposition Parcel”). The Redevelopment Agreement was approved by City Council via Ordinance 2018-630, with the Redevelopment Agreement subsequently being executed on February 8, 2019. This Redevelopment Agreement was officially terminated on October 5, 2022 due to non-performance.

The Disposition Parcel is currently paved and used as a 17-space surface parking lot for JFRD. The lot is immediately adjacent to the JFRD Emergency Operations Center, where staff works 24-hour shifts. An October 2022 appraisal performed by Colliers International at the request of DIA identified as-is, fee simple value of the Disposition Parcel of \$180,000.

The Redevelopment Agreement having expired and changes to state law regarding dispositions of interests in land within a CRA boundary being made after execution of the aforementioned Redevelopment Agreement, in 2022 via Resolution 2022-10-02 the DIA issued a Notice of Disposition as a precursor to the process of approving a new Redevelopment Agreement.

In October of 2022 a Notice of Disposition was issued, and in November of 2022 the notice period closed. The Developer was the only respondent, and in December 2022 via Resolution 2022-12-02 the DIA selected their proposal, noting, however, that as part of the disposition a March 31, 2023 closing date was included.

While the Developer has diligently proceeded with redevelopment plans for the new construction portion of the development, including receiving Downtown Development Review Board approvals, it is not possible that the additional approvals for the various incentives, which require both DIA and City Council approvals, will be obtained prior to March 31<sup>st</sup>. Therefore, it is necessary to issue a new Notice of Disposition with the extended closing period. We propose use of the DIA’s Negotiated Disposition process with the following terms:

- Fee simple conveyance of the Disposition Parcel for incorporation into a mixed-use residential development; and
- In consideration for fee simple conveyance of the Disposition Parcel, the Developer shall provide to the JFRD, for JFRD’s exclusive use, an equal number of replacement parking spaces on or immediately adjacent to the Disposition Parcel,



being at no charge, and in perpetuity. Noting further that prior to those permanent spaces being constructed and ready for use, an interim solution for replacement parking at no cost to JFRD or the City will be provided by the Developer in a location acceptable to JFRD; and

- The Developer shall commit to closing on the property within six (6) months from expiration of the notice period of a Notice of Disposition, currently expected to be six months from March 20, 2023, or September 20, 2023. The DIA through separate action may, at their sole discretion, extend that closing date.

### Disposition Parcel



**TAB V**

**RESOLUTION 2023-02-04 CARTER EXTENSION**

## **RESOLUTION 2023-02-04**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AMENDING THE PERFORMANCE SCHEDULE CONTAINED WITHIN THAT TERM SHEET BETWEEN THE DIA AND CARTER ACQUISITIONS, LLC (“CARTER”), APPROVED VIA RESOLUTION 2022-05-01 AND MODIFIED BY RESOLUTION 2022-11-07; REINSTATING ALL OTHER TERMS AND CONDITIONS; AUTHORIZING THE CEO OF THE DIA TO TAKE ALL NECESSARY ACTION TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, DIA is the designated Community Redevelopment Agency for the North Bank CRA, for which a BID Plan, inclusive of a Community Redevelopment Plan, was adopted by Ordinance 2014-560-E and updated pursuant to Ordinance 2022-0372; and

**WHEREAS**, on November 17, 2021, the DIA Board adopted Resolution 2021-11-05, instructing its CEO to cause to be issued a Notice of Disposition for the Property, consistent with Florida Statutes Chapter 163.380(3)(a) City of Jacksonville Ordinance Code Chapter 122, Subpart C *Community Redevelopment Real Property Dispositions* and incorporating the terms of and scoring criteria for such disposition; and

**WHEREAS**, Carter was the top-scoring respondent to ISP-0287-22 - Notice of Disposition and pursuant to Resolution 2022-01-02 was awarded the exclusive right to negotiate a term sheet with the DIA to acquire and develop the former Courthouse site; and

**WHEREAS**, the DIA CEO negotiated further terms and conditions consistent with the essential terms of Carter’s ISP response, with those terms and conditions approved by the DIA Board via Resolution 2022-05-01 inclusive of a Performance Schedule for commencement and completion of the Project; and

**WHEREAS**, the DIA approved Resolution 2022-11-07 at its December 2022 Board meeting, to amend the Performance Schedule found in the Term Sheet approved via Resolution 2022-05-01 and extend the date by which Carter was to submit an application for conceptual approval with the DDRB to February 28, 2023; and,

**WHEREAS**, Carter continues to work in good faith, as demonstrated through frequent and open communications regarding ongoing negotiations with third parties that may have substantial additive and positive changes to the design and scope of the project, but has not reached a state of agreement where such design elements can be finalized; and,

**WHEREAS**, allowing additional time for these negotiations to be finalized while simultaneously establishing an outside date for such changes to be reviewed and voted on by the DIA Board to determine, among other considerations, adherence with the proposal and terms as originally approved, is equally important and in the best interest of the City; and

**WHEREAS**, the Retail Enhancement and Property Disposition committee of the DIA considered the proposed term sheet and amendments at its February 14, 2023, meeting, and it is recommended by the committee that the DIA Board approve this resolution authorizing modifications to the Term Sheet herein attached as Exhibit A.

**NOW THEREFORE, BE IT RESOLVED** by the Board of 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 Term Sheet, attached hereto as Exhibit A of the executed Resolution 2023-02-04, is hereby amended to rescind the February 28, 2023, deadline for the submission of a completed Conceptual Design application to the Downtown Development Review Board.

**Section 3.** The Term Sheet, attached hereto as Exhibit A of the executed Resolution 2023-02-04, is further amended to establish June 21, 2023, or such other date as may be set for the June DIA Board meeting, as the outside date by which final terms and conditions incorporating the full modifications and changes in scope and design, identification of development partners, and any other material modifications shall be presented to the DIA Board for full consideration as to whether such proposed modifications may move forward under the development rights granted in Resolution 2022-01-02 pursuant to ISP-0287-22 - Notice of Disposition, and recognizing that additional property disposition requirements may result from such changes.

**Section 4.** In the event a revised term sheet is approved at the June DIA meeting, or a new disposition notice issued, all such actions shall limit the time for negotiation of development agreements, filing of legislation and ultimate City Council approval to an outside date of \_\_\_\_\_. All other terms and conditions are hereby restated.

**Section 3.** The DIA hereby authorizes the CEO of the Downtown Investment Authority to take all action necessary to effectuate the purposes of this Resolution 2023-02-04, including the execution of contracts, agreements, and other documents.

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

**WITNESS:**

**DOWNTOWN INVESTMENT AUTHORITY**

\_\_\_\_\_

\_\_\_\_\_  
Carol Worsham, Chair

\_\_\_\_\_  
Date

**VOTE:** In Favor: \_\_\_\_\_ Opposed: \_\_\_\_\_ Abstained: \_\_\_\_\_

Exhibit A to Resolution 2023-02-04

Term Sheet

<p>Developer:</p>	<p>Carter Acquisitions, LLC, assignable at closing to affiliated entity controlled by Carter, thereafter only with City’s permission until a Certificate of Occupancy is issued (“Carter”).</p>
<p>The Property:</p>	<p>City of Jacksonville (“COJ”) to convey to Developer fee simple title to a 2.4+/- acre parcel of land commonly referred to as the former courthouse site and identified by Duval County Tax Parcel 073358 0000 (the “Property”). The Property is addressed at 330 Bay Street East, Jacksonville, Florida 32202, and is generally located on Bay Street East between Market Street and Liberty Street. The Property does not include the current Courthouse Drive right of way, nor the additional 30-40 feet of upland contiguous to the right of way, creating an approximately 100-foot-wide strip (on average) of City owned land adjacent to the bulkhead. The Property is depicted on the sketch attached as Figure 1 and subject to final survey.</p>
<p>Easements and temporary interests to be conveyed:</p>	<ol style="list-style-type: none"> <li>1. Non-exclusive Perpetual Easement for pedestrian and bicycle use over Riverwalk parcel for benefit of Developer. A 20’ deep, and no more than 100 feet long parallel to the riverfront, encroachment into the reserved 100’ City-owned Riverwalk parcel will be allowed for dedicated seating as an exclusive use for the restaurant space patio area and be located in front of the southern retail façade.</li> <li>2. Temporary construction Easement over landward portion of Riverwalk parcel not including the 15’ closest to the bulkhead and coordinated with construction of Riverwalk and adjacent park.</li> <li>3. Temporary construction Easement for lay down during construction [parcel north of Hyatt, and riverwalk parcel] limited to the time frame necessary to facilitate construction; Riverwalk disruption will be minimized to the extent feasible.</li> <li>4. Crane air rights, if applicable, and granted by the City over public property.</li> <li>5. Temporary Road / lane closures without fees except required meter bagging charges, if any.</li> <li>6. Maintenance easement agreements that would allow Developer to step in and maintain the Riverwalk and marina, if not maintained to standard and that would allow Developer to maintain the building in perpetuity.</li> </ol>
<p>The Project:</p>	<p>On the Property developer shall design and construct The Hardwick (the “Project”) to include the following:</p> <ol style="list-style-type: none"> <li>1. 332 or more residential units (no fewer than 325 units) including a residential tower of no fewer than 18 stories.</li> <li>2. A 4 to 6 story pedestal development from Bay Street to the River on approximately two-thirds of the parcel along Liberty Street and featuring an open courtyard at grade on the other one-third of the</li> </ol>

	<p>parcel along Market Street. The outdoor plaza/public space adjacent to Market Street will be activated and designed for programmed use.</p> <ol style="list-style-type: none"> <li>3. Strong mid-century modern aesthetic carried throughout design.</li> <li>4. Approximately 25,000 square feet of retail space (no less than 24,000) including not less than 35% of the Bay Street frontage, including a minimum 7,500 square feet of space accommodating up to two (2) restaurants facing the marina and not less than 35% of the river frontage, and a rooftop (2<sup>nd</sup> floor or higher, and if on 2<sup>nd</sup> floor there will be a rooftop patio above) bar and/or restaurant of not less than 1,500 square feet.</li> <li>5. Approximately 8,000 square feet of elevated plazas and green spaces.</li> <li>6. 120 retail/marina parking spaces.</li> <li>7. Tenant Improvements paid by Developer shall total not less than \$1,600,000.</li> <li>8. Furniture, Fixture, and Equipment shall total not less than \$600,000.</li> <li>9. The Minimum Capital Investment for the Project shall be \$150,000,000, which shall specifically exclude brokerage fees, FF&amp;E, Carry Costs, Financing Costs, Marketing, Developer Fee, Retail TI &amp; LC.</li> </ol>
<p>Compensation Paid To DIA/COJ For Property Interests &amp; Contractual Rights</p>	<p>Fee simple purchase price for the Property: \$4.93 Million</p> <p>(Inclusive of the donation to the construction of Riverwalk Parcel of \$2.50 Million)</p> <p>DIA to receive participation of 10% over an 18% IRR and 15% over a 25% IRR</p>
<p>Incentives</p>	<ol style="list-style-type: none"> <li>1. Contribution of the Property valued at \$9,540,000.00 (\$80/psf to be adjusted based on surveyed parcel size, net contribution of \$4.61 Million)</li> <li>2. 75% REV grant for 20 years on the Real Property and Tangible Personal Property. The maximum indebtedness shall be calculated based on the projected assessed value using agreed upon private capital investment construction cost values. Any reduction in actual construction cost that is 10% or less of the projected construction cost shall result in a pro rata reduction of the maximum indebtedness. The DIA Board may approve a reduction in Private Capital Investment greater than 10% but no more than 15% with an accompanying pro rata reduction in the Rev Grant maximum indebtedness. Any reduction in actual Private Capital Investment that is more than 15% of the agreed upon Minimum Private Capital Investment shall result in forfeiture of the REV Grant. Based upon the project Minimum Private Capital Investment of \$150,000,000, the Rev Grant maximum indebtedness is \$26,770,000. The maximum Private Capital Investment eligible for a REV Grant shall not exceed \$200,000,000. The maximum indebtedness will be established prior to City Council approval of the RDA.</li> <li>3. A completion grant of \$9.60 million paid lump sum upon completion, equal to the NPV of \$725,000 paid annually for 20 years at a discount rate of 4.30%, or the equivalent value to be determined in negotiation by DIA staff and the Developer in preparation of the Redevelopment Agreement.</li> </ol>

<p>The Riverwalk Parcel:</p>	<p>COJ to design and maintain the Riverwalk Parcel. COJ shall commence design of the Riverwalk Parcel no later than the conclusion of the due diligence period under the RDA, provided the RDA remains in effect. Carter shall be allowed to comment on and participate in design progress meetings. Upon completion of the Riverwalk Parcel design by the City and arriving at an estimate of probable cost for construction, Carter shall have an option, exercisable in Carter’s sole discretion within 90 days following delivery of such final design and cost estimate, to enter into a Cost Disbursement Agreement and complete the improvements on the City’s behalf. If construction is performed by the City, the start date shall be no later than one year prior to the Project completion date unless access to the site is limited by Carter’s use for temporary construction staging. Completion date shall be no later than the completion date of the Project, unless commencement is delayed by Carter’s use of the site for construction staging but in no event shall completion be more than six months following completion of the Project. If the Riverwalk Parcel is not completed by the outside completion date, then Carter shall have the right to demand title to the 100-foot strip, subject only to a 25’ Riverwalk easement, the City shall convey the same to Carter, and Carter may construct such improvements on its property as it deems appropriate.</p>
<p>The Marina</p>	<p>COJ to design, construct and maintain the Marina. Marina design shall be under contract no later than March 1, 2023, and Carter shall be allowed to comment on and participate in design progress meetings. Construction of the marina shall coincide with construction of the Project with completion of the Marina to be no later than the outside date for completion of the Project.</p>
<p>Redevelopment Agreement</p>	<p>The Redevelopment Agreement will establish the essential terms of the Purchase and Sale of the Property, the parties’ relationship regarding construction, funding and maintenance of the Riverwalk, adjacent park space, and marina and the terms of any incentives, the Partnership Agreement with respect to use and maintenance of the Riverwalk Parcel, the Developer’s rights and responsibilities with respect to design of the Riverwalk Project, the Developer’s and other terms relevant to development of the Property. The RDA will become effective upon its execution following approval by City Council. Its terms will govern the period prior to closing as well as rights and responsibilities of the parties throughout the term of the RDA.</p>
<p>City protections</p>	<p>The city’s obligation to close is contingent upon Developer providing satisfactory evidence to the City prior to Closing that Developer has obtained all permits necessary to commence and proceed without interruption to completion of the Project, including vertical permits, and has secured financing and equity sufficient to complete vertical construction of the Project in accordance with the plans.</p> <p>The deed to the Property will contain a Right of Reversion in the event Developer fails to commence the Project in accordance with the Performance</p>

	<p>Schedule. The Right of Reversion will terminate upon commencement of horizontal construction.</p> <p>Upon commencement of vertical construction of the Project, Developer shall provide DIA/COJ with a completion guaranty based off a guaranty similar to Developer’s guaranty executed with the construction lender subordinate to lender’s guaranty or at Developer’s option, a completion bond ensuring completion of the Project The completion guaranty in favor of DIA/COJ shall be subordinate to any completion guaranty provided to Developer’s lender, if any.</p>
<p>Due Diligence:</p>	<p>Following the execution of the Redevelopment Agreement, Carter will have a period of 120 days (“Due Diligence Period”) to inspect and perform tests on the Property to determine its suitability for the Project, and to investigate the quality and marketability of the title it will receive from the City. Upon notice to the City, Carter may terminate the Redevelopment Agreement and the Project any time within the period without cause and without incurring any obligations under the Redevelopment Agreement.</p>
<p>Entitlements:</p>	<p>The City and the DIA will allocate all required entitlements for the Project, including Downtown Development Rights, and will timely process all required applications including, without limitation, Conceptual and Final DDRB Applications. Mobility Credits will be available to Developer in accordance with the terms of the Mobility Fee credit Incentive. Stormwater Credits will be available for purchase by Developer in accordance with the ordinance governing the same once the quantity of credits required is known.</p>
<p>Design:</p>	<ul style="list-style-type: none"> <li>a. The design will comply with the Downtown Overlay Standards as enacted within the Jacksonville Municipal Code as well as the DDRB’s development guidelines, except as may otherwise be approved by the DDRB and allowed by code.</li> <li>b. The DIA will support a waiver of the View and Access Corridor requirement on the site in consideration of the open courtyard and the 100’ (on average, but in no location less than 95’) setback.</li> <li>c. The design of the Project shall be substantially similar to the conceptual renderings as presented in the Carter response to ISP-0287-22.</li> <li>d. In collaboration with the City’s Chief Resiliency Officer, the design will include resiliency features, including to the extent practicable the design recommendations set forth in the 2021 Report by the City Council Special Committee on Resiliency and/or other City requirements adopted as of design review, consistent with the term of the Ground Lease.</li> <li>e. A Great Fire themed activity node will be included on the Property executed at a scale, durability and appeal complementing other activity nodes within the Downtown Area. The node marker shall be capable of being lighted at night and visible from other locations along the Riverwalk.</li> </ul>



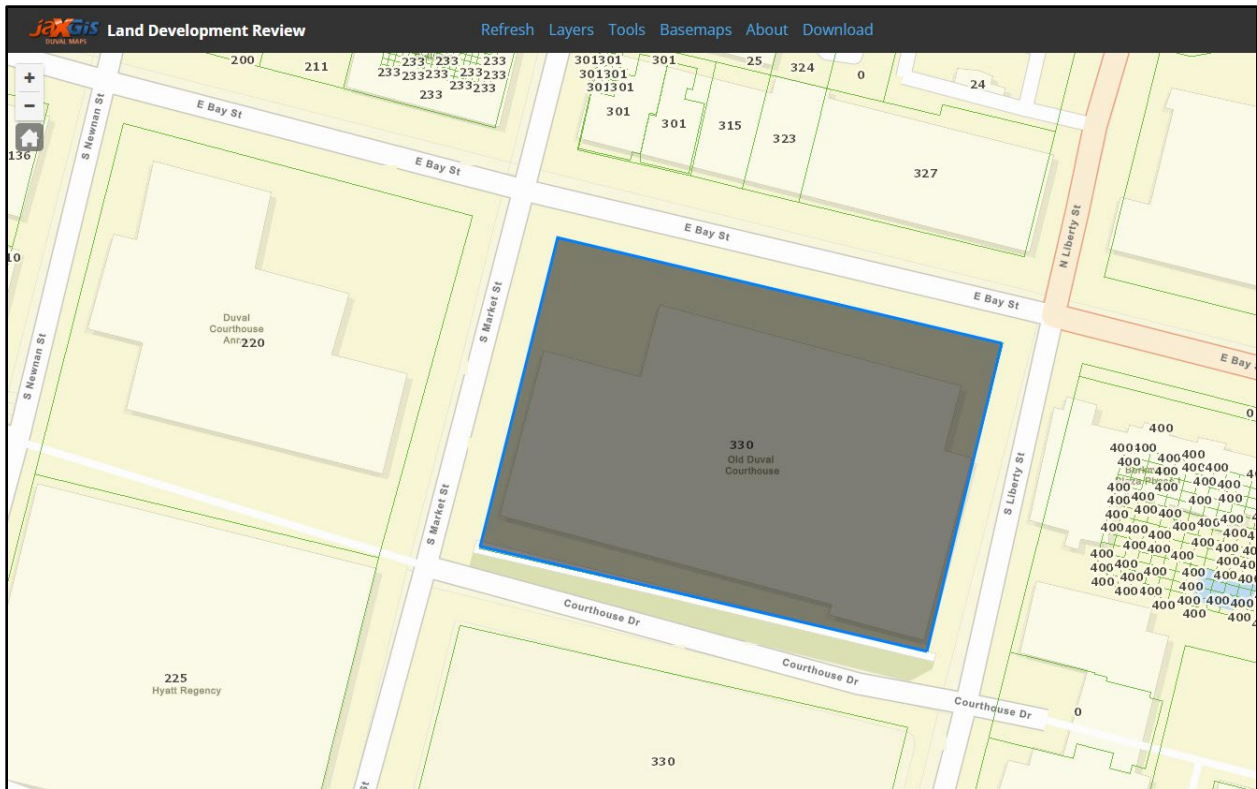
	<p>f. The design will include access to and features complementing the portion of the Riverwalk located adjacent to the Property.</p> <p>g. Landscaping of the Riverwalk will comply with the City’s standards, Downtown Design Standards, and the Riverwalk Plant Palette within the Riverwalk adjacent portion of the Property.</p>
<p>Permits:</p>	<p>Carter will be responsible for obtaining all building and other permits required for the Project.</p>
<p>Performance Schedule:</p>	<p>RDA EXECUTION– The Redevelopment Agreement will be entered into by Carter, DIA, and the City <b>by the earlier of a) the outside date of _____, or b) thirty (30) days following the effective date of legislation authorizing the disposition and RDA.</b></p> <p>FEE CLOSING - Seller will convey marketable title to the property on an “as is” sale basis to be completed within sixty (60) days after the later of: 1) execution of the RDA, 2) conclusion of the due diligence period 3) all conditions to Seller’s obligation to close have been satisfied. 4) all permits are obtained to permit the Developer to commence construction of the Project ,and proceed without interruption to completion , but in no event later than April 15, 2024</p> <p>CONCEPTUAL DESIGN – A completed application shall be submitted to DDRB no later than <b>TBD</b> for Conceptual Approval of the project. FINAL DESIGN (including final DDRB approval) to be completed no later than June 30, 2023.</p> <p>INITIAL PERMITTING – Developer shall apply for all permits necessary to commence construction and proceed without interruption to completion of the Project no later than the earlier of (i) 90 days following Final Design Approval or (ii) September 30, 2023 and pursue the same with commercially reasonable diligence.</p> <p>COMMENCE CONSTRUCTION – Developer shall commence construction within 90 days following issuance of the required permits but in no event later than April 30, 2024 and proceed without material delay through completion.</p> <p>COMPLETION OF CONSTRUCTION - all improvements on the Property to be substantially completed no later than December 31, 2026.</p> <p>The foregoing deadlines, other than closing, will be subject to extensions of up to six (6) months granted by the DIA’s Executive Director and an additional up to six (6) months by the DIA Board without additional City approval upon reasonable cause shown by Carter, and by force majeure. Such extension of the Commencement Date shall also apply to the date of Substantial Completion, so that a single extension provided will apply to both</p>

	simultaneously. The Closing Date may be extended by the DIA CEO but no more than 30 days. Failure to close will terminate the agreement.
--	--

The provisions of this Term Sheet are intended to guide the parties in negotiating the Purchase and Sale Agreement, the Redevelopment Agreement and any other documents that may be necessary to give effect to the manifest intent of the parties expressed herein. **Any modification or amendment to this Exhibit B Term Sheet to Resolution 2023-02-04 shall be heard by the DIA Board not later than its June 2023 meeting, and failure to meet such deadline shall result in termination of all rights as initially awarded under Resolution 2022-01-02 pursuant to ISP-0287-22 - Notice of Disposition.**

DRAFT

Figure 1. - 330 E BAY STREET



CITY OF JACKSONVILLE, RE# 073358-0000

Y-428 38-2S-26E 6.119 JAX KNIGHTS MAP WATER LOTS 20,21,22,23, PARKING LOT LYING S THEREOF (KNOWN AS WEST LOT)