



**Downtown Investment Authority**  
**Retail Enhancement and Property Disposition Committee**  
Hybrid In-person/Virtual Meeting  
**Thursday, December 12th, 2024, at 10:00 AM**

## **RE&PD AGENDA**

### **MEMBERS:**

Melinda B. Powers, Esq., Committee Chair  
Jill Caffey, Committee Member

Jim Citrano, Committee Member  
Sondra Fetner, Esq., Committee Member

- I. CALL TO ORDER
  - II. PUBLIC COMMENTS
  - III. FORM 8B: VOTING CONFLICT DISCLOSURES
  - IV. NOVEMBER 14<sup>TH</sup>, 2024 RETAIL ENHANCEMENT AND PROPERTY DISPOSITION COMMITTEE MEETING MINUTES APPROVAL
  - V. RESOLUTION 2024-12-01: GATEWAY GROCERY
  - VI. BROKERAGE RFP UPDATE – DISCUSSION ONLY
  - VII. OTHER MATTERS TO BE ADDED AT THE DISCRETION OF THE CHAIR
  - VIII. ADJOURN
- 

### **PHYSICAL LOCATION**

City Hall at St. James  
117 West Duval Street  
1st Floor, Lynwood Roberts Room  
Jacksonville, Florida 32202

### **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 Webinar**

<https://us02web.zoom.us/j/81447313912?pwd=8CGgXeO9lJepk9r9n9J2RWttE9Ps0B.1>

**Webinar ID: 814 4731 3912**

**Passcode: 679409**



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**One tap mobile**

+1 301 715 8592 US (Washington DC)

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International numbers available: <https://us02web.zoom.us/j/kehlYuwSql>

**TAB IV.**

**NOVEMBER 14<sup>TH</sup>, 2024 RETAIL ENHANCEMENT AND PROPERTY DISPOSITION  
COMMITTEE MEETING MINUTES APPROVAL**



**Downtown Investment Authority**  
**Retail Enhancement and Property Disposition Committee Meeting**  
**Thursday, November 14<sup>th</sup>, 2024**  
**10:00 AM**

**Retail Enhancement and Property Disposition Committee Meeting**  
***MEETING MINUTES***

**Retail Enhancement and Property Disposition Committee Members (CM) in Attendance:**

Melinda B. Powers, Esq, Committee Chair  
Sondra Fetner, Esq., Committee Member

Jim Citrano, Committee Member

**DIA Staff Present:** Lori Boyer, Chief Executive Officer; Steve Kelley, Director of Downtown Real Estate and Development; Guy Parola, Director of Operations; Allan DeVault, Project Manager; Steve Berry, Property Disposition Manager; Ava Hill, Administrative Assistant

**Office of General Counsel:** Joelle Dillard, Esq.

**Council Members Present:** None

**I. CALL TO ORDER**

The Retail Enhancement and Property Disposition Committee Meeting was called to order at 10:00 a.m. by Melinda B. Powers, Committee Chair.

**II. PUBLIC COMMENTS**

*The following people made in-person public comments, made public comments virtually through Zoom, or provided comments that were read into the record by DIA Staff. Note: the subject matter of the comment(s) indicated to the right of each person:*

John Nooney                      8356 Bascom Road                      DIA to add the property at 8356 Bascom Rd as an acquisition project

**III. FORM 8B: VOTING CONFLICT DISCLOSURES**

There were no voting conflict disclosures.

**IV. OCTOBER 15<sup>TH</sup>, 2024, RETAIL ENHANCEMENT AND PROPERTY DISPOSTION COMMITTEE MEETING MINUTES APPROVAL**

Committee Chair Powers called for a motion on the meeting minutes.

**Motion:**                      Committee Member Citrano moved to approve the meeting minutes.  
**Second:**                      Committee Member Fetner seconded the motion.

Committee Chair Powers called for a vote.

**Vote:**                      **Aye: 3**                      **Nay: 0**                      **Abstain: 0**

**THE MOTION PASSED UNANIMOUSLY 3-0-0**

Because there were three walk-on agenda items and because of time restraints, CEO Boyer suggested reengaging the agenda for time management. Committee Member Citrano also mentioned discussing item #5 but not having it on consent so the entire Board would have the opportunity to discuss it. Committee Chair Powers agreed.

**V. RESOLUTION 2024-11-03 MARKET AND OPTIMIZATION STUDY SCOPE OF SERVICES**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY FOR THE COMBINED NORTHBANK COMMUNITY REDEVELOPMENT AREA, INSTRUCTING ITS CHIEF EXECUTIVE OFFICER (“CEO”) TO CAUSE TO BE ISSUED A SOLICITATION FOR MARKET – LAND USE OPTIMIZATION STRATEGY (“STRATEGY”) FOR THAT AREA IDENTIFIED IN EXHIBIT A, INCORPORATING THE ATTACHED SCOPE OF SERVICES (EXHIBIT B), SCORING CRITERIA (EXHIBIT C) AND MINIMUM REQUIREMENTS (EXHIBIT D); INSTRUCTING ITS CHIEF EXECUTIVE OFFICER TO TAKE ALL NECESSARY ACTION TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; AND PROVIDING AN EFFECTIVE DATE.**

CEO Boyer explained the resolution related to the optimization study that had been discussed at previous meetings. She explained the concept was to look at various city-owned and adjacent properties in the vicinity of Riverfront Plaza, the east landing lot, and the City Hall annex site and then to seek a consultant to do a study on those properties. She added that what was being provided was the minimum qualifications, the scope of work and the evaluation criteria. She then reviewed the details of each.

Committee Chair Powers called for a motion on the resolution.

**Motion:** Committee Member Citrano moved to approve the resolution.  
**Seconded:** Committee Member Fetner seconded the motion.

Committee Chair Powers opened the floor for discussion.

Committee Member Fetner mentioned that the term “Locus Plan” was not clearly defined and asked for an explanation. Mr. Parola responded that he had seen the term used before in other scopes of service and contract and then advised that the term could be replaced with “land use optimization”.

Committee Member Fetner also mentioned private properties that would be appropriate for development and asked if the consultant would be looking at all the properties in the study area to determine the ones appropriate for development or would DIA provide a that list to the consultant.

Committee Member Citrano expressed that his thoughts were that DIA would designate city-owned sites for disposition and development and asked if that parcel should be developed and then should it be low, medium, or high-density development. He also mentioned that he’d to see more clarification up front and that all the details of those properties should be factored into the study.

Committee Member Fetner mentioned that the Board Members all have some understanding and knows what they want to see. She continued that the consultant does not have to be used for everything, and the Board just needs to be more specific about what's expected.

CEO Boyer responded that typically the site restrictions and parameters would not be included in the bid but would be provided to the consultant once hired. She mentioned that she agreed with Member Citrano recommendation concerning optimal uses. She agreed with adding language about identifying the city-owned parcels that are appropriate for redevelopment and added that the Board could provide a list of private properties that are appropriate for redevelopment, or the consultant could provide the list.

Committee Member Powers asked about amendments to the resolution. CEO Boyer responded that she did hear a few and shared that they were to substitute land use optimization for the word locus wherever it appears, DIA will identify which private parcel in the project area are appropriate for redevelopment, the consultant should identify which city-owned sites should be redeveloped and then recommend low, medium, or high-density use.

Committee Member Fetner mentioned that she didn't see marketing mentioned in the scope of services and asked if it could be included as an added service. CEO Boyer advised that marketing was not on the scope of services but that it could be added as an activity for later. She did advise that it was mentioned on page 6 of the resolution as a deliverable.

Committee Member Fetner asked if the Board would be able to add additional study areas. Mr. Parola responded that it would be an additional alteration like her marketing question as long as it goes out and is noticed. CEO Boyer added that she had no objections to adding that.

Committee member Citrano mentioned the wording "optimal ground level and upper-level uses" and recommended using "recommend optimal uses of city-owned parcels" instead and then recommended the Board not direct the consultant to any conclusions. CEO Boyer responded that the verbiage could be changed but that the Board would need to be very clear with the consultant.

Committee member Fetner mentioned seeing a request for stakeholder participation plan and asked if it was possible to designate a board member to work with the consultant to offer their expertise. CEO Boyer mentioned that DIA has done that in the past and that there can't be multiple board members serving as a liaison. She added that the Board Chair would have to appoint someone as the Board Member Liaison.

Committee Chair Powers called for a motion on the amendments to the resolution.

**Motion:** Committee Member Citrano moved to approve the amendments to the resolution.

**Seconded:** Committee Member Fetner seconded the motion but requested that someone go over the amendments.

#### Amendments to Scope of Services

- Substitute land use optimization for the word locus
- Private parcels appropriate for redevelopment will be identified by DIA
- Identification of constraints and conditions on city-owned parcels
- Ability to add study areas for a negotiate fee if requested by City or DIA

Amendments to Resolution

- The Board Chair will appoint a Board Member Liaison

Committee Chair Powers called for a vote on the amendment.

**Vote: Aye: 3      Nay: 0      Abstain: 0**

**THE MOTION PASSED 3-0-0**

Committee Chair Powers called for a motion on the resolution as amended.

**Motion:** Committee Member Citrano moved to approve the resolution as amended.  
**Seconded:** Committee Member Fetner seconded the motion.

Committee Chair Powers called for a vote on the amended resolution.

**Vote: Aye: 3      Nay: 0      Abstain: 0**

**THE MOTION PASSED 3-0-0**

**VII. RESOLUTION 2024-11-15 0 W DUVAL ST**

**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 DISPOSITION OF AN APPROXIMATELY 0.07 ACRE PARCEL OF CITY-OWNED REAL PROPERTY IDENTIFIED BY DUVAL COUNTY TAX PARCEL NUMBER RE# 074553-0000, (THE “PROPERTY”), CURRENTLY UNDEVELOPED LOCATED AT 0 WEST DUVAL STREET BETWEEN BROAD AND JEFFERSON STREETS WHERE MR. BINOD KUMAR ALSO MAINTAINS AN OWNERSHIP INTEREST; ESTABLISHING THE TERMS OF THE PUBLISHED NOTICE OF DISPOSITION; APPROVING A QUIT CLAIM DISPOSITION TO MR. KUMAR ON THE TERMS ATTACHED AS EXHIBIT B IF NO ALTERNATIVE OFFERS ARE RECEIVED; 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.**

CEO Boyer explained that the resolution has to do with a parcel of land that has a title issue. She explained how the owner, Mr. Bid Kumar, obtained the property but how the City had some claims to the property. She continued that DIA is proposing a disposition of the property to either clear the title and convey the property to Mr. Kumar or to have another respondent to the RFP come in and provide funds for the actual acquisition of the property.

Mr. Steven Kelley explained that the terms mentioned in the resolution were determined to be the cleanest and simplest approach to resolving the title issues that exist on the property. He then reviewed the details of Exhibits A and B which were the terms of the disposition process which included a 30-day notice of disposition of the property, minimum criteria, assumption of

responsibility for clearing the property, and assumption of all costs. Mr. Kelly explained that if Mr. Kumar is the only respondent to the disposition, DIA would not go back to the Board. That the resolution is DIA's response and that a quick claim deed would be provided to Mr. Kumar conveying the city's interest in the property at no cost.

Committee Chair Powers called for a motion on the resolution.

**Motion:** Committee Member Citrano moved to approve the resolution.  
**Seconded:** Committee Member Fetner seconded the motion.

Committee Chair Powers opened the floor for discussion.

Committee Member Citrano asked how the situation happened. Mr. Kelley responded that the parcel was taken by the City in the year 2000 by eminent domain. During that same time the existing property owner was delinquent on their property taxes. As the City was finalizing its imminent domain action and bringing the property into the City's inventory, a tax deed sale was facilitated through a third party and the third party sold the property to Mr. Kumar.

Committee Member Citrano asked if this was more of a legal issue. CEO Boyer responded that it absolutely was and that it's been working its way through OGC.

Committee Member Fetner asked what would happen if someone else puts in an offer. CEO Boyer responded that if someone puts in an offer where they identify a cash purchase price and agrees to assume the title, that they then agree to assume the City's interest in the quick claim, and that they also agree to go through the process of clearing title.

Committee Chair Powers called for a vote on the resolution.

**Vote: Aye: 3      Nay: 0      Abstain: 0**

**THE MOTION PASSED 3-0-0**

**VI. RESOLUTION 2024-11-01 FORD ON BAY DISPOSITION STUDY**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY ("DIA") APPROVING THE FRAMEWORK FOR THE MARKETING, TERMS AND CONDITIONS, SCORING CRITERIA AND TIMELINE TO BE INCLUDED IN A NOTICE OF DISPOSITION OF THAT CERTAIN CITY-OWNED PROPERTY COMMONLY REFERRED TO AS THE FORMER COURTHOUSE PROPERTY; AUTHORIZING THE ISSUANCE OF A NOTICE OF DISPOSITION IN ACCORDANCE WITH THE TERMS ESTABLISHED HEREIN; INSTRUCTING ITS CHIEF EXECUTIVE OFFICER ("CEO") TO TAKE ALL NECESSARY ACTION TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; FINDING THAT THIS RESOLUTION FURTHERS THE BUSINESS INVESTMENT AND DEVELOPMENT ("BID") PLAN, INCLUDING THE COMMUNITY REDEVELOPMENT AREA PLAN; AND PROVIDING FOR AN EFFECTIVE DATE.**

CEO Boyer explained that the substance of the resolution included a timeline, a scope, and an evaluation criterion. She mentioned that this was the second disposition document for the Ford on Bay parcel and advised that these documents were much more open in what was being asked for.



She pointed out that she highlighted in the resolution how the Board may want to market the property and then described the various alternatives and their processes. CEO Boyer mentioned that Board Chair Krechowski expressed that he'd like to engage an actual brokerage company and feels like that would be an important part of effectively marketing the property.

Mr. Steve Berry mentioned that he has multiple conversations with different commercial real estate brokerage firms. He advised that all say that DIA and the Board are moving too fast given the current condition of the capital markets, stabilization in rents, and then the related competition that would exist for this project.

CEO Boyer mentioned that she wanted Mr. Berry's input because the Board was split on whether to move forward with the disposition and that his feedback would impact that decision.

Committee Chair Powers opened the floor for discussion.

Committee Member Citrano expressed that he was in favor with engaging a broker and starting that process, he mentioned that things were getting better but that he was still on the fence.

Committee Member Fetner asked if it made sense to have an RFP for a broker to handle a time-period for any of the properties that are put on the market. CEO Boyer responded that that was DIA's intention and explained.

Committee Member Fetner expressed that the resolution focuses on the disposition, and she'd rather see it focus on the broker and how she'd rather see the Ford on Bay property get put into the study area.

Committee Member Citrano mentioned that he feels the parcel should not be developed at all. He reiterated that the Board should not give the consultant a road map to a conclusion and have them tell the Board their recommendations as a resource so the Board then could make decisions.

CEO Boyer asked if the committee was saying that the Ford on Bay parcel should not be developed. Committee Member Fetner responded that she was not saying that and that she was saying the Ford on Bay parcel should be in the study area if they are delaying the disposition. CEO Boyer also asked the committee if they wanted DIA to proceed immediately with an RFP for a broker who can work on multiple properties as designated. In addition, if the committee would like to see the former courthouse site added to the optimization study so both could be happening at the same time. She suggested drafting a resolution for the Board Meeting for a broker, then prepare a separate amendment to include the Ford on Bay parcel in the study area and leave the current resolution in place and either withdraw or defer it.

CEO Boyer asked for the committee's thoughts on Exhibit 2 at the end, that she added in response to the RFP that the respondent should only be looking at an incentive such as either REV Grants or REV Grants and a Disposition without a cost of land and that they should not be responding seeking other completion grants.

Committee member Fetner mentioned that she had no problem with the language but felt more discussion was needed about the prescriptiveness of the disposition. She felt being too specific makes it more difficult for the developer to make things work. Also, a 30-day timeframe was not enough for a request as complicated as the Board's. CEO Boyer pointed out Paragraph C on missed

use and mentioned that the language was less restrictive and suggested mentioning that the property at Bay Street would not be offered right away.

DIA staff and the committee agreed that the resolution would go before the Board with no vote and that DIA would provide recommendations from the committee.

**VII. RESOLUTION 2024-11-02 EXTENSIONS FOR BABY GOT BRUNCH**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AMENDING THE PERFORMANCE SCHEDULE CONTAINED WITHIN THE TERM SHEET BETWEEN THE DIA (“GRANTOR”) AND BABY GOT BRUNCH, LLC (“GRANTEE”), APPROVED VIA RESOLUTION 2024-05-03; AUTHORIZING THE CEO OF THE DIA TO TAKE ALL NECESSARY ACTION TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION AND THE PURPOSES OF RESOLUTION 2024-05-03, INCLUDING BUT NOT LIMITED TO EXECUTION OF AGREEMENTS; PROVIDING FOR AN EFFECTIVE DATE.**

Mr. Allan DeVault explained that the resolution as well as the next one are similar in that they both afford three more months to execute the agreement and that the resolution was approved at the May meeting for an incentive for retail enhancement program. That they were not able to execute the agreement, and the resolution provides three months to do so.

Committee Chair Powers called for a motion on the resolution.

**Motion:** Committee Member Citrano moved to approve the resolution.  
**Seconded:** Committee Member Fetner seconded the motion.

Committee Chair Powers called for a vote on the resolution.

**Vote: Aye: 3      Nay: 0      Abstain: 0**

**THE MOTION PASSED UNANIMOUSLY 3-0-0**

**VIII. RESOLUTION 2024-11-12 PLAYERS GROUP EXTENSION**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AMENDING THE PERFORMANCE SCHEDULE CONTAINED WITHIN THE TERM SHEET BETWEEN THE DIA (“GRANTOR”) AND PLAYERS GROUP, LLC (“GRANTEE”), APPROVED VIA RESOLUTION 2024-05-02; AUTHORIZING THE CEO OF THE DIA TO TAKE ALL NECESSARY ACTION TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION AND THE PURPOSES OF RESOLUTION 2024-05-02, INCLUDING BUT NOT LIMITED TO EXECUTION OF AGREEMENTS; PROVIDING FOR AN EFFECTIVE DATE.**

Mr. Allan DeVault explained that the resolution did have a scrivener error that would be corrected. He continued that the resolution was the same as the previous one providing three months to execute the agreement.

Committee Chair Powers called for a motion on the resolution.

**Motion:** Committee Member Citrano moved to approve the resolution.  
**Seconded:** Committee Member Fetner seconded the motion.

Committee Chair Powers called for a vote on the resolution.

**Vote: Aye: 3      Nay: 0      Abstain: 0**

**THE MOTION PASSED UNANIMOUSLY 3-0-0**

**IX. ADJOURNMENT**

Committee Chair Powers welcomed Mr. Berry to DIA and then adjourned the meeting at 11:14 am.

*The written minutes for this meeting are only an overview of what was discussed. For verbatim comments of this meeting, a recording is available upon request. Please contact Ava Hill at [avah@coj.net](mailto:avah@coj.net) to acquire a recording of the meeting.*

**TAB V.**

**RESOLUTION 2024-12-01: GATEWAY GROCERY**

**RESOLUTION 2024-12-01**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY RECOMMENDING APPROVAL OF A RETAIL ENHANCEMENT PROGRAM GRANT (“REP”), AND A RECAPTURED ENHANCED VALUE GRANT (“REV GRANT”) TO BE FUNDED THROUGH THE DOWNTOWN NORTHBANK CRA TRUST FUND, FOR THE DEVELOPMENT OF A GROCERY STORE IN THE NORTHCORE DISTRICT IN THE DOWNTOWN NORTHBANK COMMUNITY REDEVELOPMENT AREA BY A PROSPECTIVE TENANT (“GROCER TENANT”) AND WITHIN A PROPERTY OWNED BY 119 BEAVER ST W LLC (“OWNER”) KNOWN AS THE N7 COMPONENT OF A LARGER MULTIPARCEL MASTER DEVELOPMENT PLAN BEING UNDERTAKEN UNDER THE DIRECTION OF GATEWAY JAX, AUTHORIZING THE CHIEF EXECUTIVE OFFICER (THE “CEO”) TO NEGOTIATE A REDEVELOPMENT AGREEMENT REGARDING THE SAME BETWEEN THE CITY OF JACKSONVILLE, DOWNTOWN INVESTMENT AUTHORITY, AND OWNER (OR A SINGLE PURPOSE ENTITY TO BE FORMED OR GROCER TENANT); AUTHORIZING THE CEO OF THE DIA TO TAKE ALL NECESSARY ACTION TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the DIA is the Community Redevelopment Agency for the Downtown Northbank Community Redevelopment Area; 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 Northbank Community Redevelopment Area; and

**WHEREAS**, the Downtown Investment Authority (“DIA”) is authorized per section 55.108(8)-(9)(b) *Economic Development* of the City Ordinance Code, to implement the DIA Business Investment and Development Plan (“BID Plan”), to utilize incentives and economic development programs in furtherance of goals set forth in the BID Strategy for the benefit of Downtown Jacksonville; and

**WHEREAS**, 119 Beaver St W LLC is owner of a property located within the Downtown Northbank Community Redevelopment Area with RE# 074033 0000, as referred to in plan documents as the N7 Property (“N7”); and

**WHEREAS**, Gateway Companies LLC (“Gateway Jax” or “Developer”) is engaged to redevelop the N7 Property to include structural improvements including an approximately 16-story building providing approximately 250 multifamily units, a structured parking garage proposed to provide approximately 400 parking spaces, and an estimated 38,000 square feet of retail space to include approximately 31,500 square feet for a leading, full-service grocery store ( “Grocer Tenant”); and

**WHEREAS**, Gateway Jax is negotiating with prospective tenants among leading, full-service grocers, and has determined that to be successful in attracting a premier tenant will require financial incentive to offset build out costs and to mitigate risk associated with moving into Downtown Jacksonville, and

**WHEREAS**, build-out costs of the retail space for the Grocer Tenant, exclusive of construction costs for the building itself to cold dark shell stage of completion and exclusive of tangible personal property, will result in a capital investment of not less than \$5,000,000; and

**WHEREAS**, the project is found to meet the following BID Goals and Strategic Objectives:

**Redevelopment Goal No. 3** – Increase and diversity the number and type of retail, food and beverage, and entertainment establishments within Downtown.

- Increase the number of retail, food and beverage, and entertainment establishments that are open for business weekends and other times outside of weekday business hours.
- Add a major new grocer within Downtown Jacksonville by 2025 and one or more additional by 2030.
- Add one or more retail drugstores that include specialty consumer products and health services as well as pharmacies within Downtown Jacksonville by 2025 and a second by 2030.

**Redevelopment Goal No. 5** - Improve the safety, accessibility and wellness of Downtown Jacksonville and cleanliness and maintenance of public spaces for residents, workers, and visitors.

- Promote wellness by facilitating healthy choices for food...

**Redevelopment Goal No. 6** - Improve the walkability/cyclability of Downtown and pedestrian and bicycle connectivity between Downtown and adjacent neighborhoods of the St. Johns River.

- Create a compact and walkable Downtown through requiring a mixture of uses in each district so that housing, activities, retail, and other businesses are within useful walking distance, requiring buildings to have active facades at street level through a mixture of restaurants (including cafes with outdoor seating), retail, and services, and by requiring direct doorways and access to the street. Minimize blank walls and surface parking.

**WHEREAS**, Section 5.1 of the DIA CRA Plan establishes the CRA Plan umbrellas under which the *“DIA may seek to allocate Redevelopment Trust Fund monies for projects and programs, in part or in whole, in the future throughout the life of each CRA’s Redevelopment Plan to continue the redevelopment of Downtown.”* While not consistent with established program guidelines, the REV Grant and REP Grant proposed herein are eligible for consideration of funding from the Downtown Northbank Redevelopment Trust Fund under the Economic Development CRA Plan umbrella which states, *“while specific programs and projects are listed in the CRA Redevelopment Plan, the DIA intends to develop additional programs and support additional projects in the future to spur economic development in Downtown Jacksonville. The DIA would use Redevelopment Trust Fund monies in support of these future projects.”*; and

**WHEREAS**, DIA is proposing a Retail Enhancement Program Grant for the Grocer Tenant in the not to exceed amount of \$1,260,000 to be funded through the Downtown Northbank Redevelopment Trust Fund upon completion of the build-out and issuance of a certificate of occupancy to enable the property to be utilized for its intended purpose as outlined further in the Term Sheet attached hereto as Exhibit A, and

**WHEREAS**, DIA is proposing a REV Grant for the Grocer Tenant to be paid over a maximum of eighteen (18) years, but not beyond tax year 2045 paid in 2046, in the not to exceed amount of \$841,000, based on up to 95% of the county portion of ad valorem taxes, in the schedule as set forth in the Exhibit A Term Sheet attached hereto, as generated from the proposed private capital investment of not less than \$5.0 million, and the REV Grant is consistent with the DIA BID Plan; and

**WHEREAS**, REV Grant annual payments for the Grocer Tenant will be funded through the Downtown Northbank Redevelopment Trust Fund; and

**WHEREAS**, establishing a leading, full-service grocery store in Downtown Jacksonville is integral to goals set forth in the BID Plan and the overall economic development and well-being of Downtown Jacksonville, and the proposed REV Grant and REP Grant incentives are a material factor in attracting a Grocer Tenant to locate a new store within the Downtown Northbank Community Redevelopment Area of Downtown Jacksonville.

**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 hereby approves a Retail Enhancement Program Grant for the Grocer Tenant in the not-to-exceed amount of \$1,260,000 subject to the terms and conditions as provided in the Term Sheet attached hereto as Exhibit A.

**Section 3.** The DIA hereby approves a Recaptured Enhanced Value Grant for the Grocer Tenant in the not to exceed amount of \$841,000 subject to the terms and conditions as provided in the Term Sheet attached hereto as Exhibit A.

**Section 4.** The DIA hereby authorizes its CEO to negotiate a Redevelopment Agreement authorizing the REP Grant and the REV Grant for the Grocer Tenant as described above subject to the minimum terms and conditions contained in the term sheet attached as Exhibit A.

**Section 5.** The DIA hereby authorizes its CEO to take all necessary actions to effectuate the purposes of this Resolution, including but not limited to execution of a Redevelopment Agreement, or functional equivalents, providing that such actions incorporate, at a minimum, the terms and conditions contained in Exhibit A to this Resolution 2024-12-01.

**Section 7.** This Resolution, 2024-12-01, shall become effective on the date it is signed by the Chair of the DIA Board.

**WITNESS:** **DOWNTOWN INVESTMENT AUTHORITY**

\_\_\_\_\_  
Patrick Krechowski, Chairman \_\_\_\_\_  
Date

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

**Exhibit A to Resolution 2024-12-01****Gateway Jax – N7 Grocer Tenant****Rep Grant and REV Grant Term Sheet**

<b>Applicant:</b>	A nationally or regionally recognized, leading, full-service grocer, to be proposed by the Developer and approved by the DIA CEO, (the “Grocer Tenant”). Grocer Tenant must be open to the general public providing goods and services at competitive, market rates, and may not be a department store offering groceries as a separate department, limited-service grocer, or warehouse club requiring membership or otherwise.
<b>Property Owner/Landlord:</b>	119 Beaver St W LLC, a Florida LLC owned by CLDG Plummer Partners LLC (a Corner Lot entity), and DTJ Fund LLC (a JWB Capital and DLP Capital entity), or affiliate entity to be established.
<b>Developer</b>	Gateway Companies LLC (“Gateway Jax”) led by Mr. Brian Moll, CEO, and Mr. Eric Shullman, Vice-President Development
<b>The Property:</b>	Denoted as N7 on master development maps, includes approximately 66,124 square feet (1.52 acres) of land bounded by W Union Street to the north, N Laura Street to the east, W Beaver Street to the south, and N Hogan Street to the west comprised of parcel RE# 074033 0000 as identified in Exhibit 1 to this Term Sheet.
<b>The Grocer Tenant Retail Space:</b>	Approximately 31,500 square feet of ground floor space within a to-be-constructed mixed-use building of approximately 267,500 total square feet including an estimated 38,000 of total retail net square feet.
<b>The Project:</b>	<p>On the Property, the Developer shall construct and lease retail space to a leading, full-service grocer tenant (“Leased Property”):</p> <ol style="list-style-type: none"> <li>a) Approximately 31,500 sf of Leasable Retail Space, may adjust downward in final design by not more than 10% to remain within compliance, with no limit on upward adjustment .</li> <li>b) Minimum Construction Cost of \$5,000,000 in actual costs incurred by Grocer Tenant or Landlord in the build-out of the Leased Property beyond cold dark shell stage of completion.</li> <li>c) Grocer Tenant will include a full-service pharmacy on a best-efforts basis.</li> <li>d) Term of the lease shall extend through the final year of the REV payment. Early termination of the lease shall result in forfeiture of any remaining unpaid amounts under the Maximum Indebtedness.</li> </ol>



<p><b>Design:</b></p>	<p>The design, including but not limited to all public realm, landscaping, transparency, parking, and signage will comply with the Downtown Overlay Zone Standards as enacted within the Jacksonville Municipal Code as well as the DDRB’s development guidelines and approvals, except as may otherwise be approved by the DDRB and allowed by code.</p>
<p><b>Retail Enhancement Grant:</b></p>	<ol style="list-style-type: none"> <li>1. Maximum Proceeds: Structured as an unsecured forgivable loan not to exceed \$1,260,000 based on \$40 X 31,500 leasable square feet. Square footage of the lease may be reduced by up to 10% with a proportionate reduction in the Retail Enhancement Grant. No upward adjustment may be earned by increasing the square footage of the lease.</li> <li>2. Funding to be earned and paid upon Substantial Completion of the Improvements including issuance of Certificate of Occupancy for the Leased Property that would enable the Leased Property to be used for its intended purpose.</li> <li>3. Grocer Tenant must be open seven days per week during typical grocery store operating hours of not less than 8:00 AM to 7:00 PM with allowance for closing not more than three recognized national holidays per year.</li> <li>4. Grocer Tenant must be national or regionally recognized, top tier operator, offering full-service groceries including, but not limited to, fresh produce, fresh meats, delicatessen, frozen foods, dairy, dry goods, beer and wine, bakery, health and beauty aids, and others as commonly found in full-service type grocery stores.</li> <li>5. The funded amounts will be amortized over a five-year period with 20% forgiven on each anniversary, but unamortized amounts may be accelerated in the case of default, subject to cure periods and efforts to cure.</li> </ol>
<p><b>REV Grant:</b></p>	<ol style="list-style-type: none"> <li>1. 75% REV grant with Maximum Indebtedness of \$841,000 calculated over a 18-year term on the Real Property taxes collected on the subject Improvements to the leased property beginning with the first year after the property has achieved substantial completion.</li> <li>2. The maximum indebtedness shall be calculated based on the projected assessed value as determined by the DIA based on a Minimum Construction Cost beyond cold dark shell stage of completion of \$5,000,000.</li> <li>3. REV Payments will be accelerated such that payments actually paid by or on behalf of the Grocer Tenant (although not on taxes paid by tax certificate) as outlined in the table below: <ul style="list-style-type: none"> <li>• 95% in Years 1-2</li> <li>• 90% in years 3-5</li> <li>• 85% in years 6-13</li> </ul> </li> </ol>

	<ul style="list-style-type: none"> <li>• 80% in years 14-18</li> <li>• The accelerated payment schedule notwithstanding, the Maximum Indebtedness remains \$841,000 and the REV shall terminate once that payout level has been achieved or termination of the lease, whichever may occur first.</li> </ul> <p>4. The REV shall be recalculated and reduced accordingly based on any reduction of up to 15% of the Minimum Construction Cost. Any reduction in actual Minimum Construction Cost through the point of Substantial Completion of more than 15% shall result in the forfeiture of the REV Grant.</p>
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<p><b>Performance Schedule:</b></p>	<p>RDA EXECUTION– The Redevelopment Agreement will be entered into by Owner or Grocer Tenant and the DIA within two hundred seventy (270) days following the approval of the Resolution authorizing the RDA.</p> <p>COMMENCE CONSTRUCTION – Grocer Tenant shall receive all permits necessary and commence build-out construction activities within six (6) months following the Substantial Completion of the Leased Property, which shall occur not later than five (5) years following the Effective Date of the RDA.</p> <p>COMPLETION OF CONSTRUCTION - All improvements on the Leased Property to be substantially completed and issuance of a certificate of occupancy to enable the property to be utilized for its intended purpose within twelve (12) months of commencement.</p> <p>The foregoing deadlines be subject to extensions of up to six (6) months granted by the DIA CEO upon demonstration of reasonable cause shown by Developer, or 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 simultaneously.</p>
<p><b>Permits:</b></p>	<p>Developer / Applicant will be responsible for obtaining all building and other permits required for the Project.</p>
<p><b>Redevelopment Agreement:</b></p>	<p>The Redevelopment Agreement will establish the essential terms of the incentives, funding, and other terms relevant to the development of the Property. Its terms will govern the rights and responsibilities of the parties throughout the term of the RDA. Approval by the Jacksonville City Council is not required as funding will be made from the Downtown Northbank Redevelopment Trust Fund.</p>
<p><b>Easements and temporary interests to be conveyed:</b></p>	<p>To the extent reasonably required, temporary site safety/construction logistics easement(s) to protect street (and general public) from adjacent construction activities (not to include any lay down yard or storage on public land).</p>

**The provisions of this Term Sheet are intended to guide the parties in negotiating the Redevelopment Agreement, and any other documents that may be necessary to give effect to the manifest intent of the parties expressed herein.**

DRAFT

**Exhibit 1. The Property**



**SUPPLEMENTAL INFORMATION**

**RESOLUTION 2024-12-01: GATEWAY GROCERY STAFF REPORT**

***(TO BE PROVIDED UNDER A SEPARATE COVER)***