

RESOLUTION 2023-04-06

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) ACTING AS THE COMBINED NORTHBANK COMMUNITY REDEVELOPMENT AGENCY (“GRANTOR”) APPROVING THE AWARD OF A RETAIL ENHANCEMENT PROGRAM TARGETED RETAIL ACTIVATION: FOOD AND BEVERAGE ESTABLISHMENTS GRANT (FAB-REP) TO PAGEMASTER INN, LLC. AND LIBERTY BAY PROPERTIES, LLC (“GRANTEES”); AUTHORIZING THE CEO OF THE DIA TO NEGOTIATE A FORGIVABLE GRANT AGREEMENT OR EQUIVALENT; AUTHORIZING THE DIA CEO TO EXECUTE SUCH AGREEMENT; AND FINDING THAT THE PROPOSED RENOVATION OF TENANT SPACE LOCATED AT 333 EAST BAY STREET FURTHERS THE DIA’S BUSINESS INVESTMENT AND DEVELOPMENT PLAN, INCLUDING THE NORTHBANK CRA PLAN (“BID PLAN”) AND PROVIDING AN EFFECTIVE DATE.

WHEREAS the Grantee submitted a Retail Enhancement Program - Food and Beverage Retail Enhancement Grant (FAB-REP) application to the DIA under the Targeted Retail Activation: Food and Beverage Establishments Program adopted by DIA pursuant to Resolution 2020-06-01; and

WHEREAS, the application, business plan, and supporting documentation were reviewed by the DIA staff and found to be consistent with the BID Strategy and CRA Plan for Downtown Northbank; and

WHEREAS, scoring criteria found within the Retail Enhancement Program guidelines require a minimum 30 out of 55 points possible for the proposed project to be referred to the REPD Committee for funding consideration, and DIA Staff calculated a score of 36 for the subject application; and

WHEREAS, the DIA is authorized to utilize the Northbank Combined Tax Increment District funds, in accordance with the CRA Plan, to foster the redevelopment of the Downtown Northbank Community Redevelopment Area; and

WHEREAS there are sufficient funds available within the Northbank CRA approved budget for Retail Enhancement to fund this request; and

WHEREAS, to assist the Grantees in making renovations for the purposes establishing Pagemaster Inn & Tavern (“the Project”) DIA staff recommends that the DIA approve a Grant in an amount not to exceed ONE HUNDRED SEVENTY-ONE THOUSAND SEVEN HUNDRED TEN DOLLARS and 00/100 (\$171,710.00) to the Grantee in accordance with the terms of the FAB-REP program and the Term Sheet found attached as Exhibit A; and

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 finds that the Project is supported by the following Goal(s) and Strategic Objective(s) of the BID Plan:

GOAL THREE: Increase and diversify retail, food and beverage, and entertainment.

- Facilitate adaptive reuse of vacant and underutilized storefronts for retail, food and beverage and entertainment establishments.
- 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.
- Support expansion and growth of existing entertainment and restaurant facilities with emphasis on broadening days and hours of operation.
- Facilitate the restoration and rehabilitation of Downtown's historic building stock for use by retail/beverage/entertainment establishments.
- Contribute to resiliency, flexibility, and responsiveness to change in utilization of Downtown commercial retail space through innovation and creativity in policies and permitting, and by incentivizing the repurposing of unoccupied storefront space, where appropriate.

GOAL FOUR: Increase the vibrancy of Downtown.

- Create and promote a consistent brand for Downtown that conveys a sense of excitement and within the boundary of Downtown foster distinct neighborhood identities that evoke a unique sense of place.
- Increase awareness of Downtown's history and its historic structures.
- Market and promote Downtown programming and visitor attractions.
- Provide regular, routine, and accessible events and programming for Downtown workers, residents, and visitors.

Section 3. The DIA hereby approves the award of the Food and Beverage Retail Enhancement Grant (FAB-REP) in the amount of \$171,710.00 from the Combined Northbank CRA to the Grantee to be provided in accordance with the Retail Enhancement Program FAB-REP guidelines.

Section 4. This award is subject to each of the following prior to reimbursement for eligible expenditures as may be submitted:

- a) Funding for FAB-REP is set to \$171,710.00 in support of \$469,680.00 in required minimum eligible costs incurred as supported by invoices or other documentation, as required,

- b) Evidence that the lease for the subject property and operation of the subject business has been entered into or renewed for a period of not less than five years.

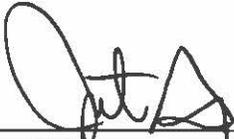
Section 5. The Chief Executive Officer is hereby authorized to negotiate and execute the Grant Agreement or equivalent and otherwise take all necessary action in connection therewith to effectuate the purposes of this Resolution.

Section 6. The Effective Date of this Resolution is the date of execution of this Resolution by the Chair of the DIA Board.

*** SIGNATURES FOUND ON THE FOLLOWING PAGE ***

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY



Witness



Carol Worsham., Chair

4/19/23
Date

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

Exhibit A:

**RETAIL ENHANCEMENT PROGRAM
TARGETED RETAIL ACTIVATION: FOOD AND BEVERAGE
ESTABLISHMENTS GRANT PROGRAM TERM SHEET
(FAB-REP)**

**Pagemaster Inn and Tavern
333 East Bay Street, Jacksonville FL 32202**

Project Name:	Pagemaster Inn and Tavern
Co-Applicants:	Pagemaster Inn, LLC ("Tenant") Liberty Bay Properties, LLC ("Landlord")
Total Eligible Development Costs (estimate):	\$521,868
Co-applicant Contribution (Debt and Equity):	\$350,158
Recommended Funding:	\$171,710

Project: Tenant improvements to the first floor of 333 East Bay Street, RE# 073363-0000, owned by Liberty Bay Properties, LLC, in accordance with the application received. Funding will facilitate the development of a "Speakeasy" bar/restaurant offering a full menu and fantasy novels and board games classified as a Type 2 establishment per FAB-REP Guidelines.

The applicant also agrees to operate during expanded hours, as detailed further below, and is expected to remain in business in the location at these service levels for a minimum of 5 years.

City Funding: No more than \$171,710, through the Downtown Northbank Combined CRA, as follows:

Infrastructure: No City of Jacksonville or CRA infrastructure funding or support is requested.

Land: No City of Jacksonville or CRA land or building is requested.

Loans: No City of Jacksonville or CRA loans have been requested.

FAB-REP Grant: **\$171,710 from the Downtown Northbank Combined CRA.** The Grant will amortize at the rate of 20% on each anniversary date of the closing so long as no event of default exists. Each co-applicant will be a party to that forgivable note and loan agreement.

The co-applicants acknowledge that these Grant funds are awarded and shall be used in accordance with the Retail Enhancement Program Targeted Retail Activation: Food and Beverage Establishments guidelines.

The Grant will be secured by a personal guarantee of Mr. Jordan Creel on behalf of the Tenant and Mr. Jon Mroz on behalf of the Landlord in the event of a default under the program or funding agreement.

Minimum Capital Contribution:

- The minimum total capital contribution through completion to remain eligible for the FAB-REP Grant is \$469,680 (Eligible direct costs of capital improvements to the property only as found in the General Contractor contract or equipment or build-out costs otherwise approved in underwriting).

Performance Schedule:

- A) Redevelopment Agreement to be executed within thirty (30) days of the Bill Effective Date which shall establish the Redevelopment Agreement Effective Date (To be captured in the Ordinance).
- B) Commencement of Construction: Within six (6) months following the Redevelopment Agreement Effective Date, Applicant commits to commencement of construction, meaning receipt of all required approvals, permitting, and closing on all required financing to allow the start of construction activities and has actually commenced buildout type work.
- C) Substantial Completion: Within eighteen (18) months following the Redevelopment Agreement Effective Date as defined above.
- D) The DIA CEO will have the authority to extend this Performance Schedule, at the CEO's discretion, for up to six (6) months for good cause shown by the Developer / Applicant. Any extensions to the Commencement Date shall simultaneously have the same effect of extending the Completion Date.

Additional Terms:

- Per FAB-REP guidelines, the award will be structured as:
 - a) Zero-interest, Grant agreement, payable upon completion of the work and receipt by DIA of invoices for goods and services rendered and proof that recipients paid for such goods and services.
 - b) No interest shall accrue upon the principal of the total loan amount, with the principal forgiven over a five (5) year period.
 - c) Total principal balance will amortize 20% each year of the compliance period.
 - d) At the end of five years, the Grant shall be entirely forgiven on the condition that the improvements are installed and maintained in reasonably good condition, all taxes are maintained in current status with no tax certificates, and no City Code violations are incurred during the compliance period.
 - e) If it is determined that the recipient(s) is in default, interest and full payment of the grant may be demanded.
- Minimum Hours of Operation to be maintained as:
 - Pagemaster Hours of Operation:
 - Tuesday through Thursday 10 am to 10 pm
 - Friday and Saturday 10 am to 12 am

- Personal Guaranty of payment and performance obligations in the event of default to be provided by Mr. Jordan Creel (Tenant) and Mr. Jon (Landlord).

Conditions:

This Term Sheet is limited by the following conditions:

- A. Prior to funding:
 1. Tenant and Landlord are each to demonstrate financial contribution of not less than \$130,467 in combination of equity or debt obligation (in the case of the Tenant) and tenant improvement allowance or rent abatement (in the case of the Landlord); and
 2. Downtown Investment Authority to receive copies of all necessary permits and invoices and other documentation as may be requested in evidence of eligible expenditures; and
- B. Throughout the Compliance Period:
 1. Continuing operation of the Project as a bar/restaurant/bookstore in accordance with the unique theme and concept as found in the business plan submitted with the application is required during the term of the agreement; and
 2. Requirement that the restaurant be operated during all open hours offering a full menu of food options as found in the business plan submitted with the application is required during the term of the agreement; and
 3. Annual financial summary and reporting is required to demonstrate compliance with terms and conditions as approved; and
 4. The Project will maintain not less than two full-time employees throughout the term of the agreement.

There may be additional terms, conditions, rights, responsibilities, warranties, and obligations for both parties which shall be determined in a later negotiated mutually agreeable written contract.