

**RESOLUTION 2022-11-01**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AMENDING RESOLUTION 2022-04-10; REMOVING ANY REFERENCE WITHIN RESOLUTION 2022-04-10 TO THE FILING OF LEGISLATION AND APPROVAL BY CITY COUNCIL; CLARIFYING THAT THE AUTHORITY FOR APPROVAL OF A RECAPTURED ENHANCED VALUE GRANT (“REV”) MEETING THE BID PLAN CRITERIA LIES ENTIRELY WITH THE DIA; AUTHORIZING THE CEO OF THE DOWNTOWN INVESTMENT AUTHORITY TO TAKE ALL NECESSARY ACTION TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION AND RESOLUTION 2022-04-10, AS AMENDED AND RESTATED, PURSUANT TO THE TERMS AND CONDITIONS CONTAINED WITHIN EXHIBIT ‘A’ TO RESOLUTION 2022-04-10; PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the Downtown Investment Authority (“DIA”) is authorized per section 55.108 of the City Ordinance Code, and the adopted BID Plan, to utilize the Tax Increment Finance District Trust Funds to foster the redevelopment of the Downtown Northbank Community Redevelopment Area, to support private capital investment therein, and to support the creation of new jobs within Downtown; and

**WHEREAS**, the DIA adopted Resolution 2022-04-10, approving the terms and conditions for a REV Grant with Fincantieri Marine Repair, LLC, in April of 2022; and

**WHEREAS**, at that time the DIA’s Business Investment & Development Plan (“BID Plan”) required that the REV Grant and accompanying Economic Development Agreement obtain City Council approval; and

**WHEREAS**, Ordinance 2022-0372-E, adopted by City Council on June 28, 2022, expressly authorized DIA to have final authority for provision of REV Grants consistent with the criteria specifically identified in the BID Plan, including the City’s adopted Public Investment Policy,

**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.** Resolution 2022-04-10 is amended to remove any reference to the filing of legislation and subsequent adoption by City Council, including the elimination of Section 2 in its entirety.

**Section 3.** The DIA Board hereby authorizes the CEO of the Downtown Investment Authority to take all action necessary to effectuate the purposes of this Resolution, including the 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 2022-11-01.

**Section 4.** This Resolution, 2022-11-01, shall become effective on the date it is signed by the Chair of the DIA Board.

**WITNESS:**

*Eva Mezini*

**DOWNTOWN INVESTMENT AUTHORITY**

*Carol Worsham*

Carol Worsham, Chair

*12/2/22*

Date

**VOTE:** In Favor: 6 Opposed: 0 Abstained: 0

**Exhibit A:**

**DIA RECAPTURED ENHANCED VALUE GRANT  
TERM SHEET**

**Fincantieri Marine Repair LLC**

**Developer/Applicant:** The applicant, Fincantieri Marine Repair LLC (“Fincantieri,” “Applicant,” or “Tenant”), is a subsidiary of Fincantieri Marine Systems North America under the parent organization, The Applicant has established a location in Jacksonville Florida through a long-term lease from Commodore Point Properties, Ltd. (“Property Owner”) of approximately 31 acres at 2060 E. Adams St. in the Working Waterfront District of Downtown Jacksonville.

**Project:** Applicant is expected to spend approximately \$30 million on improvements to the leased property and will ultimately be conducting repair and maintenance operations on ships and large vessels at the site. Per the terms of the NNN lease, the Applicant is responsible for incremental property taxes incurred on the leased property for increases in the value of the leased property above \$5,914,915.76 (“Minimum Property Value”).

**Total Development Costs (estimate):** \$29,067,799

**DIA Funding:**

Not more than **\$1,500,000** through the City of Jacksonville Downtown Investment Authority as the Northbank CRA, as follows:

REV Grant: The Developer is requesting a REV Grant equal to 50% of the City of Jacksonville portion of the estimated incremental ad valorem taxes generated by the project for a period of 10 years above the Minimum Property Value, as established in the lease and approved by the DIA. The total REV grant indebtedness will not exceed \$1,500,000.

Infrastructure: No City of Jacksonville infrastructure improvements are contemplated with this proposal.

Land: No City of Jacksonville land is committed to the project.

**Minimum Property Value Increase per the Duval County Property Appraiser:**

- Eligibility for funding under the DIA REV Grant is contingent upon the Minimum Property Value, as established in the lease, increasing by \$5,000,000 or greater per the Duval County Property Appraiser in its annual assessment.

**Additional Commitments:**

- REV Grant payments will be paid annually beginning in any year of eligibility, but such first tax year shall not be later than 2025 (with REV Grant payment made in 2026).
- The payment period will commence with the submission of the first REV payment request and will continue uninterrupted for ten consecutive years thereafter.
- REV Reimbursement shall be made only from increases realized in the City of Jacksonville portion of the ad valorem taxes collected in any eligible tax year.
- Applicant must be in continuous operation at the subject site, subject to force majeure, to be eligible for REV Grant payments for any given tax year.
- Create a minimum of 10 New Jobs with an average annual salary of \$59,146 or greater prior to the end of the calendar year 2025 and maintain the 10 New Jobs throughout the term of this agreement.

**This Term Sheet is limited by the following conditions:**

There will be additional terms, conditions, rights, responsibilities, warranties, and obligations for both parties shall be determined in a later negotiated mutually agreeable written contract (or multiple written contracts as is deemed necessary).

**Note for information purposes only: The City of Jacksonville has previously approved the following incentive for this project:**

Not more than **\$300,000** through the City of Jacksonville as administered by the Office of Economic Development, as follows:

Fincantieri was approved in May 2020 under ordinance 2020-0241 for up to \$300,000 from the City for Qualified Target Industry (QTI) funding in conjunction with State of Florida QTI, which may not exceed \$1,500,000 on a combined basis.