



Downtown Investment Authority Agenda

Wednesday, August 19, 2020 at 2:00 p.m.

MEMBERS:

Ron Moody, Chairman
Braxton Gillam, Esq., Vice Chairman
Carol Worsham, Secretary
William Adams, Esq., Board Member
Oliver Barakat, Board Member

Jim Citrano, Board Member
Todd Froats, Board Member
Craig Gibbs, Esq., Board Member
David Ward, Esq., Board Member

I. CALL TO ORDER

II. PUBLIC COMMENTS

III. COMMUNITY REDEVELOPMENT AGENCY

- A. July 15, 2020 Community Redevelopment Agency Meeting Minutes
- B. Resolution 2020-08-01: Lofts at Cathedral RDA Term Sheet (Lori Boyer, CEO)
- C. Resolution 2020-08-02: Urban Art and Façade Streetscape Program: Water Street Garage (Lori Boyer, CEO)
- D. Resolution 2020-08-03: Met Park Access Agreement (Lori Boyer, CEO)

IV. DOWNTOWN INVESTMENT AUTHORITY

- A. July 15, 2020 Downtown Investment Authority Board Meeting Minutes
- B. Resolution 2020-08-04: Lofts at Cathedral Allocation of Development Rights (Guy Parola, Operations Manager)

V. CEO INFORMATIONAL BRIEFING

VI. CHAIRMAN REPORT

VII. ADJOURN

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

Join Zoom Meeting

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TAB III
COMMUNITY REDEVELOPMENT AGENCY

TAB III.A

July 15, 2020 Community Redevelopment Agency Meeting Minutes



Downtown Investment Authority
Zoom Meeting

Wednesday, July 15, 2020 – 2:00 p.m.

Community Redevelopment Agency
MEETING MINUTES

DIA Board Members: Ron Moody, Chairman; Braxton Gillam, Esq., Vice Chairman; Carol Worsham, Secretary; Craig Gibbs, Esq.; David Ward, Esq.; Jim Citrano; Bill Adams, Esq. and Todd Froats

DIA Board Members Excused: Oliver Barakat

Mayor's Staff: None

Council Members: LeAnna Cumber, District 5

DIA Staff: Lori Boyer, Chief Executive Officer; Ina Mezini, Marketing and Communications Specialist; Steve Kelley, Director of Development; John Crescimbeni, Contract, and Regulatory Compliance Manager; Guy Parola, Operations Manager; Lori Radcliffe-Meyers, Redevelopment Coordinator; Jackie Mott, Financial Analyst; and, Karen Underwood-Eiland, Assistant

Office of General Counsel: John Sawyer, Esq.

I. CALL TO ORDER

Chairman Moody called the CRA Board Meeting to order at 2:00 p.m. and provided a statement relating to COVID-19.

Chairman Moody read an opening statement regarding authority and procedures for the virtual meeting. Ina Mezini, DIA Marketing and, Communications Specialist, provided instruction for the public comment process utilizing the Zoom toolbar “raise hand” feature.

Chairman Moody announced each DIA Board Member, staff, and welcomed Debra Pataky, ECA, to Council Member LeAnna Cumber.

II. PUBLIC COMMENTS

Chairman Moody opened the floor for public comments. Three (3) public comment requests were received.

- Thomas K. Rensing, KBJ Architects, President, commented that the Jacobs team resubmitted the proposal for the Convention Center and requested the opportunity to have a full presentation to the Board, City Council, and the mayor's Office.

Public comments received via e-mail were read by Ina Mezini below:

- Johnny Simmons wrote regarding the Downtown Preservation and Revitalization Program.
- Joe Ayers, CBRE, wrote about the disposition of the Former City Hall Annex and Courthouse site.

CEO Boyer reported a press release received and e-mailed to the staff and Board for an unsolicited proposal for a new Convention Center, including a rendering and a Highest and Best Use/side-by-side Comparison and the Ford on Bay Proposal.

III. COMMUNITY REDEVELOPMENT AGENCY MEETING

A. JUNE 17, 2020, APPROVAL OF THE COMMUNITY REDEVELOPMENT AGENCY MEETING REVISED MINUTES

Motion: Board Member Worsham moved to approve the revised June 17, 2020, CRA Meeting Minutes

Second: Board Member Gillam

Vote: Aye: 8 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 8-0-0.

B. RESOLUTION 2020-07-01: FY 20 NORTHBANK CRA BUDGET

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY ACTING AS THE COMBINED DOWNTOWN EAST AND NORTHWEST COMMUNITY REDEVELOPMENT AGENCY BOARD REQUESTING THAT THE CITY COUNCIL AMEND THE FY 2019-2020 TAX INCREMENT DISTRICT (“TID”) BUDGET FOR THE COMBINED DOWNTOWN EAST AND NORTHWEST CRA; PROVIDING AN EFFECTIVE DATE.

CEO Boyer presented Resolution 2020-07-01. The DIA requests that the City Council adopt the revised Combined Downtown East and Northwest Tax Increment District Fiscal Year 2019-2020 Budget in Exhibit A to reflect a reduction in actual revenue and a corresponding decrease in professional administrative services.

Board Member Froats, Budget/Finance Chair, reported the committee’s recommendation to approve Resolution 2020-07-01 for DIA approval.

The Board discussed Resolution 2020-07-01.

Motion: Board Member Froats moved to approve Resolution 2020-07-01 as presented.

Vote: Aye: 8 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 8-0-0.

C. RESOLUTION 2020-07-02: FY 21 NORTHBANK BUDGET

RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY AS THE COMMUNITY REDEVELOPMENT AGENCY FOR THE COMBINED NORTH BANK COMMUNITY REDEVELOPMENT AREA RECOMMENDING REVISIONS TO THE FISCAL YEAR 2020-2021 BUDGETS FOR THE COMBINED DOWNTOWN EAST AND NORTHWEST TAX INCREMENT DISTRICT; PROVIDING FOR AN EFFECTIVE DATE.

CEO Boyer presented Resolution 2020-07-02. The resolution was presented and approved at the Finance and Budget committee.

Board Member Froats, Budget/Finance Chair, reported the committee's recommendation to approve Resolution 2020-07-02 for DIA approval.

The board discussed Resolution 2020-07-02.

Motion: Board Member Froats moved to approve Resolution 2020-07-02 as presented.

Vote: Aye: 8 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 8-0-0.

D. RESOLUTION 2020-07-03: FY 20 SOUTHSIDE BUDGET

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY ACTING AS THE SOUTHSIDE COMMUNITY REDEVELOPMENT AGENCY BOARD REQUESTING THAT THE CITY COUNCIL AMEND THE FY 2019-2020 TAX INCREMENT DISTRICT ("TID") BUDGET FOR THE SOUTHSIDE CRA.; PROVIDING AN EFFECTIVE DATE.

CEO Boyer presented Resolution 2020-07-03 which, was adopted at the Finance/Budget Committee.

Board Member Froats, Budget/Finance Chair, reported the committee's recommendation to approve Resolution 2020-07-03 for DIA approval.

Motion: Board Member Froats moved to approve Resolution 2020-07-03 as presented.

Vote: Aye: 8 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 8-0-0.

E. RESOLUTION 2020-07-04: FY 21 SOUTHSIDE BUDGET

RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY AS THE COMMUNITY REDEVELOPMENT AGENCY FOR THE SOUTHSIDE COMMUNITY REDEVELOPMENT AREA RECOMMENDING REVISIONS TO THE PROPOSED FISCAL YEAR 2020-2021 BUDGET FOR THE SOUTHSIDE TAX INCREMENT DISTRICT; PROVIDING FOR AN EFFECTIVE DATE.

CEO Boyer presented Resolution 2020-07-04.

Board Member Froats, Budget/Finance Chair, reported the committee's recommendation to approve Resolution 2020-07-04 for DIA approval.

Motion: Board Member Froats moved to approve Resolution 2020-07-04 as presented

Vote: Aye: 8 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 8-0-0.

E. RESOLUTION 2020-07-05: BREAD AND BOARD R.E.P. APPLICATION

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) ACTING AS THE COMBINED NORTHBANK COMMUNITY DEVELOPMENT AGENCY (“GRANTOR”) APPROVING THE AWARD OF A RETAIL ENHANCEMENT PROGRAM FORGIVABLE LOAN TO RIVERCHEFS, LLC AND VYSTAR CREDIT UNION (“GRANTEES”); AUTHORIZING THE CEO OF THE DIA TO NEGOTIATE A LOAN AGREEMENT AND RELATED SECURITY DOCUMENTS; AUTHORIZING THE DIA CEO TO EXECUTE SUCH AGREEMENTS; AND FINDING THAT THE DEVELOPMENT PLAN IS CONSISTENT WITH THE DIA’S BUSINESS INVESTMENT AND DEVELOPMENT PLAN, INCLUDING THE NORTHBANK CRA PLAN (“BID PLAN”) AND PROVIDING AN EFFECTIVE DATE.

Mr. Kelley addressed the Retail Enhancement and Property Disposition committee's recommendation of approval for Resolution 2020-07-05, which supports a FAB-REP award of \$371,590 of the Bread and Board. He pointed out an updated cost sheet from the General Contractor as requested by Board Member Froats and had received the prior evening and circulated after the meeting.

Mr. Dwayne Beliakoff, Partner & Executive Chef, was available to answer any questions.

The recommendation to approve Resolution 2020-07-05 by the REP&D Committee was brought forward.

Motion: Board Member Worsham moved to approve Resolution 2020-07-05, as presented.

Vote: Aye: 8 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 8-0-0.

F. RESOLUTION 2020-07-06: REJECTION OF CONVENTION CENTER UNSOLICITED PROPOSAL

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) REJECTING THE UNSOLICITED PROPOSAL RECEIVED FROM JACOBS DATED JANUARY 17, 2020 TITLED DEVELOPMENT OF CONVENTION CENTER HOTEL, PARKING GARAGE AND PUBLIC CONVENTION CENTER SPACE; PROVIDING FOR AN EFFECTIVE DATE.

CEO Boyer presented Resolution 2020-07-06. Mrs. Boyer recommended that the unsolicited proposal from Jacobs titled Development of Convention Center Hotel, Parking Garage, and Public Convention Center Space, which was submitted to the DIA on or about January 20, 2020 be formally be rejected, by the adoption of Resolution 2020-07-06.

Chairman Moody recommended following through to prepare and finalize a term sheet for the Spandrel Development Group project. He asked the Strategic Implementation Committee to review a presentation of the Convention Center Site in the next 90-days. In the event, Spandrel was not finalized; the committee would know the options going forward.

Board Member Ward encouraged the Jacobs team to change the conditions that the consultants looked at to determine the appropriateness of timing at that meeting.

The committee briefly discussed and provided comments.

Motion: Board Member Gillam moved to approve Resolution 2020-07-06 as presented.

Second: Board Member Worsham

Vote: Aye: 8 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 8-0-0.

ADJOURNMENT: Chairman Moody adjourned the meeting at 3:22 p.m.

The written minutes for this meeting are only an overview of what was discussed. For verbatim comments of this meeting, a recording or transcript is available upon request. Please contact Karen Underwood-Eiland, at (904) 255-5302.

DRAFT

TAB III.B

Resolution 2020-08-01: Lofts at Cathedral Term Sheet

RESOLUTION 2020-08-01

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY SUPPORTING THE EXECUTION OF A REDEVELOPMENT AND INCENTIVE AGREEMENT BETWEEN THE DOWNTOWN INVESTMENT AUTHORITY AND VESTCOR, INC; AUTHORIZE CEO OF THE DOWNTOWN INVESTMENT AUTHORITY TO NEGOTIATE THE LOAN AGREEMENT; AND AUTHORIZE CEO OF THE DOWNTOWN INVESTMENT AUTHORITY TO EXECUTE SUCH DOCUMENTS AND AGREEMENTS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Vestcor, Inc. (the “Developer”) proposes to construct the Lofts at Cathedral, a project consisting of approximately 120 new or rehabilitated multi-family apartment units for families in the Cathedral District neighborhood. Utilizing funding from the Low Income Housing Tax Credit program (“LIHTC”), the Developer proposes to develop 57 affordable housing units, 27 units of workforce housing, and an additional 36 units at market rate rents. The project proposes to construct 120 units of a variety of unit sizes. The project will result in the investment of approximately \$28,700,000 for the construction of the apartments and associated improvements; and

WHEREAS, the Developer is seeking an allocation of LIHTCs from the Florida Housing Finance Corporation, under Request for Applications (“RFA”) 2020-202 under the Large Counties program; wherein Duval County is a FHFC designated Large County; and

WHEREAS, the RFA permits the Jacksonville Housing Finance Authority (“JHFA”) to set the criteria and score the applications received for Duval County in order to receive an allocation of LIHTCs under the Large Counties program; and

WHEREAS, the JHFA has issued a Notice of Funding Availability (the “NOFA”) issued as of June 17, 2020 which set forth local government support loans criteria for consideration of scoring; and

WHEREAS, the Developer is seeking to maximize the point total for its application for LIHTCs and is therefore requesting a qualifying loan from the DIA under the terms of the NOFA and detailed in the attached Term Sheet; and

WHEREAS, the Downtown Investment Authority (“DIA”) is authorized per section 55.108 *Economic Development* of the City Ordinance Code, subject to City Council appropriation of funds, to utilize the Tax Increment Finance District Trust Funds to foster the redevelopment of the Downtown Northbank Community Redevelopment Area; and

WHEREAS, sufficient funds have been previously appropriated by City Council for Loans within the Northbank CRA and remain available for use in accordance with the BID Plan; and

WHEREAS, to assist Developer in completing their application for LIHTCs and maximize their application score to construct the 57 affordable housing units, and 27 units of workforce housing apartments in Downtown Jacksonville requires \$625,000.00 in financial assistance from the Downtown Investment Authority; and

WHEREAS, the proposed loan will be funded from the DIA Northbank CRA Loan program Plan Authorized Expenditures account; and

WHEREAS, the Developer will further seek funding through the applicable Historic preservation and revitalization program as may be available; and

WHEREAS, the Developer has agreed to provide market rate housing for families in 36 of the 120 units; and

WHEREAS, the financial assistance to the project will be in the form as detailed on the attached Term Sheet and in compliance with the requirements of the Local Government Support Loan (as detailed in the NOFA); and

WHEREAS, the proposed financing satisfies the conditions in the BID Plan for funding of a project more specifically: Goal 1- Reinforce the Downtown as the City's Unique Epicenter; Goal 2- Increase Rental and Owner-Occupied Housing Downtown; and Goal 7- Use Planning and Economic Development activities to Promote Healthy Living.

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 authorizes the CEO of the Downtown Investment Authority to negotiate a Loan Agreement and a Redevelopment Agreement with the Developer, or a subsidiary of the Developer substantially in accordance with the term sheet attached hereto as Exhibit A.

Section 3. The DIA hereby authorizes the CEO of the Downtown Investment Authority to execute such agreements.

Section 4. This Resolution, 2020-08-01, Shall become effective on the date it is signed by the Chair of the DIA Board.

(SIGNATURES ON FOLLOWING PAGE)

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Ron Moody, Chairman

Date

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

Exhibit A to Resolution 2020-08-01
Term Sheet

Loan:

Project Name: Lofts at Cathedral (A multifamily development utilizing Low Income Housing Tax Credits)

Developer/ Applicant: Single Asset Entity to be formed, Vestcor (or an affiliate company) will be the General Partner.

Total Development Costs (estimate): \$28,785,258; not less than \$28,700,000 to remain eligible

Equity (proposed): \$17,744,225 (61.6% of TDC)

City Funding: Not more than \$1,025,000 (3.6% of TDC) through the City of Jacksonville, Downtown Investment Authority in the aggregate; this loan authorization not to exceed \$625,000 as follows:

Infrastructure: No city of Jacksonville infrastructure improvements are contemplated.

Land: No land or building owned by the City of Jacksonville land is requested by the project.

City Funding pursuant to this Resolution:

Loan:

- \$625,000 Loan from the Northbank CRA Loan Program
- The Note will have a 1.00% interest rate (payable semi-annually)
- Term will be 20 years, as required by the FHFC RFA 2020-202, with an option for prepayment without penalty at any time.
- The principal balance of the note will due at the end of the term or upon sale, transfer or refinance of the project.
- There will be no annual payments of principal required on the \$625,000 loan.
- The Loan would be funded concurrent with development meeting the definitions of Completion within its senior loan documents.

The loan approval is contingent upon the following:

1. An allocation of "9% Low income Housing Tax Credits" from the Florida Housing Finance Corporation under RFA 2020-202.
2. Downtown Investment Authority review of all development and construction timelines; and
3. A completed application to the Jacksonville Planning and Development Department, Historic Preservation Commission for funding through the appropriate Historic preservation and revitalization program;

4. The successful commitment and closing of construction/senior debt agreements and any private junior lien loan agreements and commitments.
5. Evidence of marketable title by the Developer.
6. 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 (or multiple written contracts as is deemed necessary).

Minimum Capital Contribution:

- The minimum total capital contribution through completion to remain eligible for the City Funding as proposed will be \$28,700,000.
- Percent of total COJ investment to overall project cost: $\$1,025,000/\$28,785,258 = 3.6\%$

Performance Schedule:

- Following the requisite approvals of this Loan and upon entering into a Redevelopment Agreement, the Developer agrees to pull all required permits within twelve (12) months of that effective date, which then establishes the "Commencement Date." Note: FHFC guidelines provide up to 3 months for adjudication if protests are filed on awards as announced, followed by a formal underwriting period of up to 12 months. Further, FHFC Guidelines also contemplate an 18-24 month timeline for the completion and occupancy of developments.
- The Developer further agrees to a Construction Completion Date of twenty four (24) months from the commencement date.
- The Redevelopment Agreement shall allow the DIA CEO to extend the performance schedule for up to six (6) months in her sole discretion for good cause shown by Developer.

HPTF/DPRP Historic Program Funding (to be considered under separate Resolution – not part of this approval)

HPTF/DPRP Historic Program Funding: The Developer has committed to apply for funding in an amount not to exceed \$1,025,000 which will serve as permanent capital in the funding sources for the workforce, multifamily development. Funding under this program is conditional on the approval of the 9% Low Income Housing Tax Credit (LIHTC) award from the Florida Housing Finance Corporation (FHFC), which may be further conditioned on the approval for funding preference by the Jacksonville Housing Finance Authority (JHFA) under the Notice of Funding Allocation (NOFA) 2020-202.

A formal application for funding for this component will follow the approval process of the DPRP program, currently under consideration by the COJ City Council and its committees. If not approved, the request will follow the existing HPTF structure following the requisite guidelines for that program as are currently in place.

Under no circumstances will total funded or committed exposure to this development exceed \$1,025,000.

Resolution 2020-08-01
Supplemental Information
Staff Report

**Downtown Investment Authority
Strategic Investment Committee
Redevelopment Proposal - Lofts at Cathedral
August 6, 2020**

The Project

The Developer, Vestcor, is proposing the construction of a multifamily development at 325-327 E. Duval Street within the Cathedral District of Downtown Jacksonville. The site is the location of the former Community Connections transitional housing for homeless families, which operated primarily from the Florence Davis YWCA building originally constructed on this site in 1949. The three story, 45,000 square foot YWCA building was awarded local landmark status in June 2017. This building will be redeveloped into multi-family units as discussed further below. A second building on the site, approximately 6,000 square feet, constructed in 2004 and used for administration purposes that does not carry landmark status, will be razed to make way for new construction that will complement the redevelopment of the landmarked YWCA property.

In total, the redevelopment efforts as proposed will create 120 units of multifamily housing on the site. Final engineering underway will determine the density of the development, as parking considerations may limit the property to as few as 100 units. The development is applying for Low Income Housing Tax Credits (LIHTC) from the Florida Housing Finance Corporation (FHFC) as detailed further below, and is projected to provide a combination of Studio, 1 BR / 1 BA, and 2 BR / 2 BA units as shown in the following chart:

Beds/Baths	No. of Units	Median Income %	Assumed Rents
Studios	4	80%	\$1,000
Studios	6	60%	\$737
Studios	3	30%	\$343
Studios	4	Market	\$1,000
1/1	17	80%	\$1,070
1/1	21	60%	\$788
1/1	11	30%	\$366
1/1	10	Market	\$1,100
2/2	6	80%	\$1,280
2/2	12	60%	\$942
2/2	4	30%	\$436
2/2	22	Market	\$1,300
Totals	120		

As also shown by the chart, the purpose of the development is to provide mixed-income housing within the Cathedral District, which serves the workforce of Downtown Jacksonville with additional housing opportunities. Within the development as proposed, there would be 18 units reserved for tenants with incomes at 30% of area median income (AMI), 39 units for tenants at 60% AMI, 27 units for tenants at 80% AMI, and 36 market rate units. Industry research such as the 2016 Urban Institute report, "Mixed-Income Living: Anticipated and Realized Benefits for Low-Income Households" has shown that mixed-income housing is an effective strategy to break up pockets of poverty and provide better health outcomes for low-income residents while also providing market rate housing needed to serve employers across the

downtown area. This approach follows the same strategy successfully employed by Vestcor, in its “Lofts” branded developments in LaVilla, Monroe, Jefferson, and most recently, Brooklyn.

Developer

From the developer’s website:

The Vestcor Companies was founded in 1983 in Jacksonville, Florida and has grown to become one of Florida's largest developers of multifamily communities. Founder, John Rood, moved to Jacksonville in 1981 with a plan for a real estate business that would acquire rental houses, resulting in the purchase of eleven single family homes in 1981. For the next two years, Mr. Rood sold multifamily communities to syndicators from around the country.

Since formation, Vestcor has formed 102 partnerships investing in raw land, existing apartments, new multifamily developments, condominiums, student communities and retirement communities. The success of Vestcor can be attributed to the guiding principle that has been a focus for the last thirty years - to exceed expectations. This holds true for investors, residents, and employees.

As Vestcor finalizes its development plan, approximately 90 units are proposed for the new construction property (single building) with the remaining 30 units found in the rehabilitation of the historic YWCA building. These numbers may vary slightly as the plans are finalized. The community common elements will include controlled access, fitness center, clubroom, hospitality area, and computer stations.

As detailed below, Vestcor is requesting funding in the total amount of \$1,025,000 for the redevelopment of the subject property. Funding would come in a combination of a loan from the DIA in the amount of \$625,000 which would be funded through the Northbank CRA Loan Fund, and/or up to \$1,025,000 from the Historic Preservation and Revitalization Trust Fund or the Downtown Preservation and Revitalization Program, as may be approved. Because funding allocations through the FHFC are competitive, developers commonly pursue multiple channels of funding for their development activities pending awards from multiple capital sources. As structured in the developers Pro Forma, the DIA loan amount of \$625,000 would be supplanted by an award through the city’s applicable Historic preservation and revitalization grant program in the amount of \$400,000. In no case would the city’s obligations as proposed exceed \$1,025,000.

- If awarded, LIHTC equity is expected to bring more than \$17.7 million to the development as proposed.
- FHFC RFA 2020-202 awards points for applications utilizing funding support from local governments, and the Jacksonville Housing Finance Authority is administering a Notice Of Fund Availability 2020-1 to review applications from developers seeking the local preference for RFA 2020-202, of which only one will be awarded. Requirements found in RFA 2020-202 establish the minimum funding level to be eligible for points at \$610,000.

- This proposal is prepared to facilitate application in both NOFA 2020-1, and RFA 2020-202.

DIA CRA Loan Terms

Timing requirements for applications under NOFA 2020-1 and RFA 2020-202 necessitate presentation of the request for a loan through the DIA CRA Loan Fund in order to meet deadlines for those applications, which require full commitment for funding to be eligible for consideration in the application with FHFC.

- Amount of \$625,000 to be funded from the Northbank CRA Loan Fund.
- Maturity date of twenty years from the date of closing and disbursement.
- Disbursement would be lump sum upon meeting defined conditions and requirements of Completion.
- Interest rate of 1% payable semi-annually.
- No principal payment requirements through maturity at which point the principal is due in full.
- Principal may be repaid in full during the life of the loan with no prepayment penalty.

Downtown Historic Preservation and Revitalization Trust Fund (alternatively, the Downtown Preservation and Revitalization Program) Grant *The following is for information only, it is not being submitted for approval at this time.*

The Developer will also submit application for funding under the Downtown Historic Preservation and Revitalization Trust Fund or, alternatively, the Downtown Preservation and Revitalization Program, depending on the approval of the program by City Council. Vestcor acknowledges that they are proceeding at risk, and nothing by way of approval of the loan request as proposed obligates the DIA or the City of Jacksonville to approval of the second request when it is submitted, which is expected to be in October of this year.

If approved, entering into the Redevelopment Agreement will require approvals of the development plan as proposed, by all applicable agencies including issuance of a Certificate of Appropriateness by the Historic Preservation Section of the Jacksonville Planning and Development Department.

After the Developer obtains all required approvals, including through the SIC Committee and DIA Board, the City shall make a Grant to the Developer under the appropriate Historic program, in an amount not to exceed \$1,025,000 to fund the on-site improvements in accordance with the Certificates of Appropriateness and subject to all terms and conditions found within the Redevelopment Agreement.

The amount of the final funding under this portion of the request will be established to provide flexibility for the developer to use funding from this source exclusively, as may be approved, should they not be successful in receiving an award under NOFA 2020-1. Under no circumstance will total funding exceed \$1,025,000 under any combination of CRA Loan and Historic program funding.

Development Parameters

- The preliminary construction budget, and accompanying sources and uses of funds has been provided for analysis, but are subject to change as engineering is finalized. The final numbers will be presented along with the request for the application for funds through the applicable Historic preservation and revitalization program.
- Included in the total development cost of \$28,785,258 is the acquisition price of \$1,650,000 paid for the subject property being redeveloped.
- With an estimated total of +/- 125,000 square feet within the development including new construction and rehabilitation, fully loaded total development cost of \$28,785,258 equates to approximately \$230 per square foot. Net of developer fee, operating reserve, F, F, &E, and fees to the FHFC, total development cost drops to \$23,910,000, or approximately \$191 per square foot.
- Alternatively, the pro forma, fully loaded, suggests a cost of \$239,877 per unit inclusive of parking, common area, and amenity costs.
- Hard cost for new construction is estimated to be \$145,000 per unit.
- Hard cost for rehab units is estimated at \$183,333 per unit.
- Included in development cost is an operating reserve equal to just over six months of operating expenses, as is typical for developments of this type.

Capitalization

- Per the COJ development sources and uses schedule provided by the applicant, total development costs for the project total \$28,785,258 upon completion and stabilization.
- Sources of capital upon completion include:

✓ Conventional Debt	\$ 9,250,000
✓ DIA Loan	625,000
✓ HPTF/DPRP Grant	400,000
✓ LIHTC Equity	17,744,225
✓ Deferred Developer Fee	766,032
	<u>\$28,785,258</u>
- The LIHTC equity of \$17.7 million is derived through an investment made by a third party source in tax credits that may be awarded by FHFC under its Request For Application (RFA) 2020-202. That award is made after review of competing applications based on a scoring rubric administered by FHFC. If selected, Vestcor will accept Letters of Intent from syndicators and direct investors to serve as the equity partner in the development.
- Both the lender and the LIHTC investor will be chosen following receipt of a LIHTC allocation from FHFC. There is strong demand for the construction loans and LIHTC investments from large banks with regulatory requirements under the Community Reinvestment Act of 1977 (CRA).
- Deferred Developer Fee as shown in the capital stack is effectively developer equity injected to meet the proposed uses during construction and stabilization, and may be earned back by the developer over the fifteen year compliance period through the distribution of excess cash flow following a waterfall process negotiated with the LIHTC investor and permanent lenders.

- Percent of COJ investment to overall project cost: $\$1,025,000/\$28,785,258= 3.6\%$
- ROI: The estimated ROI for the COJ DIA incentives for this redevelopment is approximately 3.17X based on the following assumptions:
 - ✓ Valuation is based on estimated development costs net of existing property values
 - ✓ Two year construction period
 - ✓ Tax abatement for periods 1 through 10
 - ✓ Incremental tax value for periods 11 through 20
 - ✓ TPP is based on \$400,000 F, F, & E budget provided by the developer

Operating Pro Forma

- Information provided by the applicant shows gross potential rental revenue of \$1,350,516, based on the current unit mix outlined above. An additional \$36,000 is estimated as Other Income.
- After vacancy and collection losses estimated at 5% and 2% respectively, total revenue to cover expenses is estimated at \$1,289,460, or \$10,745 per unit, per year on average.
- Expense estimates appear appropriate for developments of this nature including management fees at 4% of revenue, taxes, insurance, utilities and other traditional operating expenses totaling \$597,578.
- After inclusion of Replacement Reserves funded at \$300 per unit, per year, or \$36,000 total, Net Operating Income is estimated to be \$655,881 from which debt service payments estimated at \$535,565 annually would be made. This pro forma NOI would provide debt service coverage of 1.22X.

TAB III.C

Resolution 2020-08-02: Water Street Garage Public Art Project

RESOLUTION 2020-08-02

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) APPROVING THE EXPENDITURE OF TWENTY THOUSAND DOLLARS (\$20,000) PURSUANT TO THE URBAN ART FAÇADE AND STREETScape PROGRAM IDENTIFIED IN THE NORTHBANK AND SOUTHSIDE COMMUNITY REDEVELOPMENT AREA (“CRA) PLANS FOR DOWNTOWN JACKSONVILLE, FLORIDA PAYABLE TO THE CULTURAL COUNCIL OF GREATER JACKSONVILLE, INC. TO HELP COMPLETE THE WATER STREET GARAGE PUBLIC ART PROJECT.

WHEREAS, DIA Resolution 2015-03-01 authorized the appropriation of \$406,000 in DIA funding for an Urban Art and Streetscape Program to be accomplished in three (3) separate phases; and

WHEREAS, the DIA entered into an Urban Art and Streetscape Program Agreement with the CCGJ dated February 18, 2016; and

WHEREAS, the CCGJ received \$180,750 to complete Phase 1 of the project and subsequently completed all components thereof, then received \$139,625 to complete Phase 2 of the project but was unable to complete the final component of Phase 2 prior to the expiration of the Agreement; and

WHEREAS, the CCGJ refunded to the DIA the \$52,500 allocated to the Phase 2 component that was not completed; and

WHEREAS, the \$85,625 to complete Phase 3 of the project was never disbursed to the CCGJ; and

WHEREAS, Ordinances 2015-504 and 2015-763 approved funding in the amount of \$355,287.70 for a public art project at the Water Street Garage; and

WHEREAS, the City of Jacksonville entered into a Water Street Garage Public Art Project Agreement with the CCGJ dated August 20, 2016, an agreement to be administered by the DIA and which was later amended by technical amendment to extend the expiration date to December 31, 2020; and

WHEREAS, the Water Street Garage Public Art Project is nearing completion and the CCGJ has incurred additional unforeseen expenses associated with the same; 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 Water Street Garage Public Art Project is consistent with the Urban Art Façade and Streetscape Program identified in the Northbank and Southside CRA Plans for Downtown Jacksonville, Florida.

Section 3. The DIA authorizes the payment of twenty thousand dollars (\$20,000) from the remaining funding originally authorized for the Urban Art Façade and Streetscape Program to the CCGJ to be used towards the completion of the Water Street Garage Public Art Project.

Section 4. The Effective Date of this Resolution is the date upon execution of this Resolution by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Witness

Ron Moody, Chairman

Date

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

TAB III.D

Resolution 2020-08-03: Access Agreement

RESOLUTION 2020-08-03

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AUTHORIZING ITS CHIEF EXECUTIVE OFFICER (“CEO”) TO EXECUTE A SITE ACCESS AGREEMENT (“AGREEMENT”) WITH IGUANA INVESTMENTS FLORIDA, LLC, FOR THAT CERTAIN REAL PROPERTY GENERALLY DESCRIBED AS “METROPOLITAN PARK” AND IDENTIFIED BY DUVAL COUNTY PROPERTY APPRAISER PARCEL NUMBER 130572 0100 (“PROPERTY”); INSTRUCTING ITS CHIEF EXECUTIVE OFFICER (“CEO”) TO OBTAIN APPROVAL FROM THE CITY’S RISK MANAGER, DIRECTOR OF PUBLIC WORKS AND THE OFFICE OF GENERAL COUNCIL PRIOR TO EXECUTION OF THE AGREEMENT; INSTRUCTING THE CEO TO TAKE ALL NECESSARY ACTION TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Downtown Investment Authority (“DIA”) is the Community Redevelopment Agency within Downtown Jacksonville; and

WHEREAS, from time to time it is requested of DIA, as the Community Redevelopment Agency for Downtown, to allow temporary access to City-owned properties under DIA management for the purposes of conducting due diligence activities in advance of or in conjunction with the disposition of property within the Northbank Downtown and Southside Community Redevelopment Areas; and

WHEREAS, pursuant to Resolution 2017-07-04, Access Agreements that include environmental, geotechnical, and other invasive due diligence activities require approval by the DIA Board prior to execution by its CEO; and

WHEREAS, Iguana Investments Florida, LLC, has requested access to the property generally referred to as “Metropolitan Park” and more fully identified by Duval County Property Appraiser Parcel Number 130572 0100, in order to conduct environmental testing in anticipation of preparing an offer to acquire such property.

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. DIA hereby conditionally grants to Iguana Investments Florida, LLC (“Licensee”), its agents, representatives, employees, consultants, contractors, and subcontractors a limited license for access to enter upon the Property for the sole purpose of performing the testing including but not limited to the installation of groundwater monitoring wells below the ground surface, collection of groundwater samples from the monitoring wells, making of soil borings, taking of soil samples from the borings, the proper abandonment of any monitoring wells, disposal

of soil and water generated from the testing (collectively, the “Work”). The Work shall be at no cost to DIA.

Section 3. The Agreement shall continue from date of execution for one, three (3) month period with an option by the DIA Chief Executive Officer to extend the Agreement for one additional three (3) month period. The DIA may terminate this Agreement following material uncured breach of this Agreement by Licensee upon by written notice to Licensee, said termination rights being in addition to any other rights and remedies available to DIA under applicable law or otherwise. DIA may terminate the Agreement for convenience with prior written notice to Licensee.

Section 4. Prior to execution of an Agreement, the DIA Chief Executive Officer shall first obtain approvals of the Agreement by the City’s Risk Manager, Director of Public Works and the Office of General Counsel.

Section 5. The DIA instructs its Chief Executive Officer to take all necessary action to effectuate the purpose of this Resolution.

Section 6. The DIA conditions approval of the Agreement on its Chief Executive Officer receiving a copy of all reports and final work products that result from this grant this Agreement.

Section 7. This Resolution shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Ron Moody, Vice Chair

Date

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

TAB IV

DOWNTOWN INVESTMENT AUTHORITY

TAB IV.A

July 15, 2020 Downtown Investment Authority Board Meeting Minutes



Downtown Investment Authority
Zoom Meeting
Wednesday, July 15, 2020, at 3:23 p.m.

Downtown Investment Authority
MEETING MINUTES

DIA Board Members: Ron Moody, Chairman; Braxton Gillam, Esq., Chairman; Craig Gibbs, Esq., Carol Worsham Secretary; Todd Froats; David Ward, Esq.; Jim Citrano; and Bill Adams, Esq.

DIA Board Members Excused: Oliver Barakat

Mayor's Staff: None

Council Members: LeAnna Cumber, District 5

DIA Staff: Lori Boyer, Chief Executive Officer; Ina Mezini, Marketing and Communications Specialist; Steve Kelley, Director of Development; John Crescimbeni, Contract and, Regulatory Compliance Manager; Guy Parola, Operations Manager; Lori Radcliffe-Meyers, Redevelopment Coordinator; Jackie Mott, Financial Analyst; and, Karen Underwood-Eiland, Assistant

Office of General Counsel: John Sawyer, Esq.

CALL TO ORDER: Chairman Moody called to order the Downtown Investment Authority Board Meeting at 3:23 p.m.

IV. DOWNTOWN INVESTMENT AUTHORITY MEETING

A JUNE 17, 2020, DOWNTOWN INVESTMENT AUTHORITY BOARD MEETING APPROVAL OF THE REVISED MINUTES.

Motion: Board Member Worsham moved to approve the June 17, 2020, Revised Board Meeting Minutes

Second: Board Member Gibbs

Vote: Aye:8 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 8-0-0

B. RESOLUTION 2020-07-07: DOWNTOWN PRESERVATION AND REVITALIZATION PROGRAM GUIDELINES

RESOLUTION 2020-07-07

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) RECOMMENDING THAT THE CITY COUNCIL ADOPT A NEW PROGRAM TO INCENTIVIZE RESTORATION AND REHABILITATION OF DOWNTOWN HISTORIC LANDMARKS AS WELL AS CODE COMPLIANCE IMPROVEMENTS TO LANDMARKS AND NON-LANDMARKED OLDER BUILDINGS AND TO REVISE THE HISTORIC PRESERVATION AND REVITALIZATION TRUST FUND GUIDELINES, AND THE PROCESS FOR APPLYING FOR SUCH INCENTIVES; AUTHORIZING THE CEO TO FILE LEGISLATION; PROVIDING FOR AN EFFECTIVE DATE.

CEO Boyer presented Resolution 2020-07-07. The program attached to the Resolution as Exhibit A and titled Downtown Preservation and Revitalization Program recommended to the City Council for adoption to replace the previous 2002 guidelines for the Historic Preservation and Revitalization Trust Fund.

CEO Boyer recognized that Steve Kelley spent a lot of time on the details of the formulas and how it works and further acknowledged that the DIA worked closely with the Planning Department on developing this program.

The Board provided questions and comments.

Board Member Adams expressed concerns regarding the program’s five-year amortization components when the tax abatement extends for ten years. He encourages the DIA to align its programs with other city incentives to close those gaps.

Board Member Gillam has concerns with using government funding to support renovations of historic buildings costing five times as much as building new construction of comparable quality. From a policy standpoint, it requires landowners to spend exorbitant amounts of funds with no relationship or responsibility to what the actual building would be worth. He is in support of the project for the work that was put in.

After a discussion with Board Member Adams regarding his concerns, CEO Boyer reviewed the possibility for one option: to have the historic preservation element and the code compliance element remain full obligations concurrent with the ten-year tax abatement period. Hence, they would not be forgiven until the 10-year point is reached, at which time the property goes back on the tax roll.

Motion: Board Member Gillam moved to approve Resolution 2020-07-07, as presented.

Second: Board Member Gibbs

Vote: Aye: 7 Nay: 1 (Board Member Adams) Abstain: 0

THE MOTION PASSED 7-1-0

E. RESOLUTION 2020-07-08: ALLOCATION OF DEVELOPMENT RIGHTS

RESOLUTION 2020-07-08

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) ALLOCATING UP TO 120 UNITS OF MULTI-FAMILY DEVELOPMENT RIGHTS FROM THE NORTHSIDE EAST COMPONENT AREA OF THE CONSOLIDATED DOWNTOWN DEVELOPMENT OF REGIONAL IMPACT (“DRI”) TO BLUE SKY COMMUNITIES LLC; AUTHORIZING THE DIA CHIEF EXECUTIVE OFFICER TO EXECUTE ANY CONTRACTS AND DOCUMENTS AND OTHERWISE TAKE ALL NECESSARY ACTION IN CONNECTION THEREWITH TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

Guy Parola presented 2020-07-08 for the DIA to reallocate up to 120 Multi-family units of development rights to Blue Sky Communities, LLC, or their assigns, for use on Duval County Tax Parcels 073987-0000 and 073988-0000.

There were no comments from the Board.

Motion: Board Member Worsham moved to approve Resolution 2020-07-08, as presented.

Second: Board Member Gibbs

Vote: Aye:8 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 8-0-0.

F. RESOLUTION 2020-07-09: RECOGNITION OF MARC PADGETT

RESOLUTION 2020-07-09

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY COMMENDING AND RECOGNIZING THE CONTRIBUTIONS OF MARC PADGETT TO THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AND FOR HIS DEDICATION AND SERVICE IN PROMOTING THE SUCCESSFUL REVITALIZATION AND REDEVELOPMENT OF DOWNTOWN JACKSONVILLE AS A DOWNTOWN INVESTMENT AUTHORITY BOARD MEMBER.

CEO Boyer presented Resolution 2020-07-09 commending, and recognizing the contributions of Marc Padgett to the DIA Board.

Motion: Board Member Froats moved to approve Resolution 2020-07-09 as presented.

Second: Board Member Gibbs

Vote: Aye:8 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 8-0-0.

G. RESOLUTION 2020-07-10: RECOGNITION OF COUNCILMAN MICHAEL BOYLAN

RESOLUTION 2020-07-10

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) COMMENDING AND RECOGNIZING THE CONTRIBUTIONS OF COUNCILMAN MICHAEL BOYLAN AS THE CITY COUNCIL LIAISON TO THE DIA AND FOR HIS OVERALL SUPPORT OF THE DIA AND JACKSONVILLE’S DOWNTOWN.

CEO Boyer presented Resolution 2020-07-10, commending and extending heartfelt thanks to Councilman Michael Boylan for his dedicated service as City Council Liaison to the DIA.

Motion: Board Member Gibbs moved to Approve Resolution 2020-07-10, as presented.

Second: Board Member Gillam

Vote: Aye: 8 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 8-0-0.

V. CEO INFORMATIONAL INFORMATIONAL BRIEFING

- Two Way Street conversion design project has been advertised and open for bids.
- CEO Boyer is in hopes to have the BID and CRA update into procurement in the next few weeks. She shared the four primary focus areas: incentive updates, park plans, district branding plan, and simplified master plan deliverable.
- Budget Hearing August 14, 2010
- DIA meeting August 19, a Retail Enhancement and Property Disposition and a Strategic Implementation Committee meeting will be held within two weeks before the board meeting

VI. CHAIRMAN REPORT

Chairman Moody serves as an ex-officio member of the Strategic Implementation Committee and Retail Enhancement Committee. He is looking to appoint new committee members. CEO Boyer and Chairman Moody will look over the committee memberships and appoint new chairs to REP&D and SIC to fill in members.

VII. ADJOURN

ADJOURNMENT: Chairman Gibbs adjourned the meeting at 4:13 p.m.

The written minutes for this meeting are only an overview of what was discussed. For verbatim comments of this meeting, a recording or transcript is available upon request. Please contact Karen Underwood-Eiland, at (904) 255-5302.

TAB IV.B

Resolution 2020-08-04: Lofts at Cathedral Allocation of Development Rights

RESOLUTION 2020-08-04

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) ALLOCATING UP TO ONE HUNDRED AND TWENTY (120) UNITS OF MULTI-FAMILY ENTITLEMENTS FROM THE NORTHSIDE EAST COMPONENT AREA OF THE CONSOLIDATED DOWNTOWN DEVELOPMENT OF REGIONAL IMPACT (“DRI”) TO LOFTS AT CATHEDRAL, LTD (“DEVELOPER”); AUTHORIZING THE DIA CHIEF EXECUTIVE OFFICER TO EXECUTE ANY CONTRACTS AND DOCUMENTS AND OTHERWISE TAKE ALL NECESSARY ACTION IN CONNECTION THEREWITH TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, pursuant to Ordinance 2014-0560-E, DIA is the “Master Developer” with respect to the Consolidated Downtown Development of Regional Impact (“DRI”) Development Order; and

WHEREAS, the Developer proposes to construct up to one hundred and twenty (120) multi-family units (“Development”) in the Cathedral Neighborhood of Downtown, within the Northside East Component Area of the Consolidated Downtown DRI; and

WHEREAS, the Development is predicated on an award from the Florida Housing Finance Corporation of Low Income Housing Tax Credits (“LIHTCs”) from the 2020-202 cycle; and

WHEREAS, an award of LIHTCs from the 2020-202 cycle will not be made until December 2020; and

WHEREAS, it is the intent of the DIA to allocate up to 120 multi-family units of entitlements from the Northside East Component area of the DRI, predicated upon an award of LIHTCs to the Developer by the Florida Housing Finance Corporation from their 2020-202 cycle; and

WHEREAS, DIA finds that the Development furthers the following Downtown Northbank Community Redevelopment Area Plan goal and objective:

Redevelopment Goal No. 2: Increase rental and owner-occupied housing Downtown, targeting key demographic groups seeking a more urban lifestyle.

Strategic Objective: Actively pursue a minimum of 3,850 built and occupied multi-family dwelling units by 2025; and strive to induce construction of 350 multi-family dwelling units per year.

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 allocates up to one hundred and twenty (120) multi-family units of development rights to Lofts at Cathedral, Ltd., for use on Duval County Tax Parcels 073617 0020 and 073617 1000, and further predicated on an award by the Florida Housing Finance Corporation of Low Income Housing Tax Credits from the 2020-202 cycle.

Section 3. Lofts at Cathedral, Ltd., may assign the allocation of entitlements upon approval by the DIA Chief Executive Officer, who shall not unduly withhold such approval.

Section 4. In the event that Lofts at Cathedral, Ltd., or their assigns, fails to receive a LIHTC award from the Florida Housing Finance Corporation on or by January 30, 2021, this Resolution 2020-08-04 and the allocation of development rights shall become null and void without any further action by the DIA. The DIA Chief Executive Officer may grant a thirty (30) day extension at their sole discretion.

Section 5. Should Lofts at Cathedral, Ltd., or their assigns, fail to obtain a permit for vertical construction within twelve (12) months from 2020-202 LIHTC award cycle, this Resolution 2020-08-04 and the allocation of development rights shall become null and void without any further action by the DIA. The DIA Chief Executive Officer may grant a sixty (60) day extension at their sole discretion.

Section 6. Should Lofts at Cathedral, Ltd., or their assigns, fail to commence construction within six (6) months of the issuance of a permit for vertical construction this Resolution 2020-08-04 and the allocation of development rights shall become null and void without any further action by the DIA. The DIA Chief Executive Officer may grant a sixty (60) day extension at their sole discretion.

Section 7. The DIA Chief Executive Officer is authorized to execute any contracts and documents and otherwise take all necessary action in connection therewith to effectuate the purposes of this resolution.

Section 8. This Resolution 2020-08-04 shall become effective on the date it is signed by the Chair of the DIA Board.

[SIGNATURES ON FOLLOWING PAGE]

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Ron Moody, Chairman

Date

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