

**RESOLUTION 2020-07-05**

**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.**

**WHEREAS**, the Grantees submitted a Retail Enhancement Program application to the DIA under the Targeted Retail Activation: Food and Beverage Establishments Program; and

**WHEREAS**, the application, 2020-002 was reviewed by the DIA staff, found to be consistent with the BID Plan and CRA Plan for Downtown Northbank; and

**WHEREAS**, the Retail Enhancement and Property Disposition Committee, at their meeting of July 13, 2020; voted to recommended approval of the application to the DIA Board; and

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

**WHEREAS**, to assist the Grantees in making renovations for the purposes of The Bread & Board (“the Project”) the DIA proposes to provide a Forgivable Loan in an amount not to exceed \$371,590 (Three hundred seventy one thousand five hundred and ninety dollars) to the Grantees; and

**WHEREAS**, the financial assistance to the Project will be in the form of the proposed terms and incentives on the Term Sheet, attached as Exhibit A to this Resolution; 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 1: Reinforce Downtown as the City's unique epicenter for business, history, culture, education, and entertainment.
  - Increase the opportunities for Downtown employment.
  - Protect and revitalize historic assets.
  - Support expansion of entertainment and restaurant facilities.
  - Increase venues, workspaces, and residential opportunities with a focus on the Target Area.
  - Create a consistent theme and image that conveys a sense of the excitement and activity Downtown.
  - Focus efforts on drawing many diverse attractions, rather than a small number of large ones.
- Goal 2: Increase rental and owner-occupied housing downtown, targeting key demographic groups seeking a more urban lifestyle.
  - Leverage land contributions, infrastructure investments, incentive grants, and low interest loans.
  - Promote and attract neighborhood retail to support downtown residents.
- Goal 3: Simplify the approval process for downtown development and improve departmental and agency coordination.
  - Initiate public/private partnerships.
  - Identify cooperative property owners/developers and develop key pilot initiatives.
- Goal 4: Maintain a clean and safe 24-7 Downtown for residents, workers, and visitors.
  - Provide increased walkability through:
    - Support and attract additional commercial, service, residential, transportation, recreation, and open space uses.
    - Redevelop the major road corridors with pedestrian-scale neighborhood retail and services.
    - Enhance the connection with neighborhoods immediately adjacent to Downtown through attractive, walkable/bikeable linkages.

**Section 3.** The DIA hereby approves the award of a Retail Enhancement Grant in the amount of \$371,590 from the Combined Northbank TID to Grantees to be provided in accordance with the term sheet attached hereto as Exhibit A.

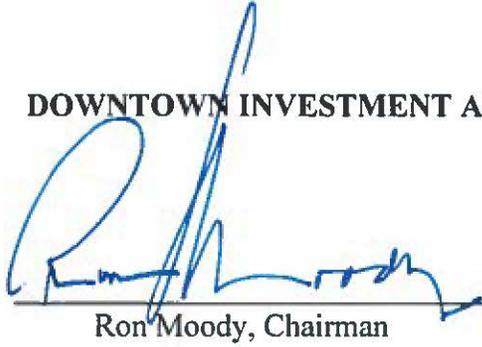
**Section 4.** The Chief Executive Officer is hereby authorized to negotiate and execute the Loan Agreement and Security Documents and otherwise take all necessary action in connection therewith to effectuate the purposes of this Resolution.

**Section 5.** The Effective Date of this Resolution is the date of execution of this Resolution by the Chair of the DIA Board.

WITNESS:

**DOWNTOWN INVESTMENT AUTHORITY**

  
\_\_\_\_\_  
Witness

  
\_\_\_\_\_  
Ron Moody, Chairman

7/2/2020  
\_\_\_\_\_  
Date

VOTE: In Favor: 8 Opposed: 0 Abstained: 0



# Downtown Investment Authority

## EXHIBIT A - TERM SHEET

Project Name: The Bread & Board

Developer/ Applicant: Riverchefs LLC and VyStar Credit Union as co-applicants

Total Development Costs (estimate): \$ 1,521,076<sup>1, 2</sup>

Co-applicant Contribution: \$1,149,486<sup>1, 2</sup> 75.6% of Eligible Costs

Recommended Funding: \$371,590 24.4% of Eligible Costs

1- *Includes direct TI allowance, plus two month rent abatement*

2- *Includes a minimum estimate amount for costs incurred outside of the Kenyon Construction contract for the benefit of the leased space.*

Project: Renovations to 100 West Bay Street in accordance with the application received, subject to DDRB approval, in order to facilitate the operation of a Type I restaurant in the premises substantially in accordance with the site layout, equipment outfitting, and design elements found in the business plan submitted with the application. The indoor porch space at the corner of Laura Street and Bay Street with retractable windows is considered an essential element of the build-out design for the purposes of this award. Further, full table service and dinner entrees are considered an essential element for purposes of this award, although more casual service offerings during other meal periods and operations of a market are also recognized as important elements to the business model. The Business Owner 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 **\$371,590**, 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 Forgivable Loan: **\$371,590 from the Downtown Northbank Combined CRA**. The grant will be structured as a forgivable, 0% interest loan that 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 loan funds are awarded and shall be used in accordance with the Retail Enhancement Program Targeted Retail Activation: Food and Beverage Establishments guidelines.

The forgivable loan will be secured by a personal guarantee of Dwayne Beliakoff and Jonathan Cobbs 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 Forgivable Loan is \$ \$1,415,254 (Direct costs only as found in the General Contractor contract, does not include costs incurred by the Landlord in Exhibit C to the Lease addendum).
- Percent of COJ investment to overall and eligible project cost to be confirmed by receipts covering eligible costs:  
$$\$371,590/\$1,415,254 = 26.3\% \text{ Overall Costs}^1$$
$$\$371,590/\$1,271,076 = 29.2\% \text{ Eligible Costs}^1$$

*1 – As shown in the GC Contract*

Performance Schedule:

- Applicant to obtain appropriate permits within 6-months of executed agreements with DIA.
- Applicant to have all work completed within 9-months of issuance of last permit required for construction.
- Applicant may receive up to a 6-month period extension to comply with performance deadlines.

Additional Commitments:

- Establishment agrees to be open not less than 6 days per week until 9:00 PM, including Friday and Saturday evenings.
- DIA will have the authority to modify the required hours of operation in the event market conditions require same.
- Establishment agrees to create and maintain not less than 25 (twenty five) full-time equivalent jobs at the 100 W. Bay Street location during the five year compliance period.

Conditions:

This Term Sheet is limited by the following conditions:

- Downtown Investment Authority to receive copies of all necessary permits and invoices as evidence of eligible expenditures; and
- 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.