



**DOWNTOWN INVESTMENT AUTHORITY  
STRATEGIC IMPLEMENTATION COMMITTEE  
AGENDA**

City Hall at St. James Building  
117 W. Duval Street, Jacksonville, FL. 32202  
3<sup>rd</sup> Floor, Conference Room 'C'  
Monday, September 9, 2019 at 2:30 P.M.

Ron Moody, Chair  
Braxton Gillam, Esq., Committee Member  
Craig Gibbs, Esq., Committee Member  
Marc Padgett, Committee Member

## STRATEGIC IMPLEMENTATION COMMITTEE

<b>I.</b>	<b>CALL TO ORDER – Committee Chairman Moody</b>
<b>II.</b>	<b>PUBLIC COMMENTS</b>
<b>III.</b>	<b>ACTION ITEMS</b>
	A. Unsolicited Proposal Policy DIA CRA Areas
	B. Disposition Procedures: Formal, Informal, Negotiated
<b>IV.</b>	<b>OLD BUSINESS</b>
<b>V.</b>	<b>NEW BUSINESS</b>
	A. Blackwater unsolicited proposals
<b>VI.</b>	<b>ADJOURN</b>



**Downtown Investment Authority**  
**Committee Meeting**

**City Hall at St. James**  
**117 West Duval St., 1<sup>st</sup> Floor, Conf Room B.**  
**Monday, September 9, 2019– 2:30 p.m.**

***DIA***  
***Strategic Implementation Committee Meeting Minutes***

**Committee Members Present:** Ron Moody, Committee Chair, Craig Gibbs, Esq., Braxton Gillam, Esq., and Marc Padgett

**DIA Staff:** Lori Boyer, Chief Executive Officer, Guy Parola Operations Manager, Sondra Fetner, and Karen Underwood-Eiland, Executive Assistant

**Council Members:** Michael Boylan, Council Member District 6

**Office of General Counsel:** John Sawyer, Office of General Counsel

**I. CALL TO ORDER**

Committee Chairman Moody called the meeting to order at 2:30 p.m. The attendees introduced themselves for the record.

**II. PUBLIC COMMENTS**

**None**

**III. ACTION ITEMS**

**A. UNSOLICITED PROPOSAL POLICY DIA CRA AREAS:**

CEO Boyer brought forth the Unsolicited Proposal Policy DIA CRA areas and pointed out how the DIA would handle notices of disposition. All handouts were provided.

**RESOLUTION 2019-09-01**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY ACTING AS THE SOUTHSIDE AND COMBINED DOWNTOWN NORTHBANK COMMUNITY REDEVELOPMENT AGENCY BOARDS ADOPTING A POLICY REGARDING THE PROCESS FOR HANDLING UNSOLICITED PROPOSALS TO PURCHASE OR LEASE PROPERTY WITHIN THE COMMUNITY REDEVELOPMENT AREA IN ACCORDANCE WITH FLORIDA STATUTE 163.380 AND CITY OF JACKSONVILLE ORDINANCES; PROVIDING AN EFFECTIVE DATE.**

**A MOTION WAS MADE BY BOARD MEMBER BRAXTON AND SECONDED BY BOARD MEMBER PADGETT RECOMMENDED TO APPROVE RESOLUTION 2019-09-01 AND TO BE TAKEN UP AT THE SEPTEMBER 18, 2019 BOARD MEETING.**

**THE MOTION PASSED UNANIMOUSLY 4-0-0.**

**B. DISPOSITION PROCEDURES: FORMAL, INFORMAL, NEGOTIATED**

**RESOLUTION 2019-09-02**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY ACTING AS THE SOUTHSIDE AND COMBINED DOWNTOWN NORTHBANK COMMUNITY REDEVELOPMENT AGENCY BOARDS ADOPTING A POLICY REGARDING NOTICES OF DISPOSITION FOR PROPERTY WITHIN THE COMMUNITY REDEVELOPMENT AREA IN ACCORDANCE WITH FLORIDA STATUTE 163.380 AND CITY OF JACKSONVILLE ORDINANCES; PROVIDING AN EFFECTIVE DATE.**

**A MOTION WAS MADE BY BOARD MEMBER GILLAM AND SECONDED BY BOARD MEMBER PADGETT RECOMMENDED TO APPROVE RESOLUTION 2019-09-02 AND TO BE TAKEN UP AT THE SEPTEMBER 18, 2019 BOARD MEETING.**

**THE MOTION PASSED UNANIMOUSLY 4-0-0.**

**IV. OLD BUSINESS  
NONE**

**V. NEW BUSINESS**

**A. BLACKWATER UNSOLICITED PROPOSALS**

CEO Boyer asked the Committee if they were willing to submit to the Board a recommendation to reject the two (2) unsolicited proposals received from Blackwater, which do not contain an amount of information.

The first proposal is to purchase the APEX color site. The APEX color site is subject to a long-term lease between the City of Jacksonville and APEX Color. The site is owned by the City, it has on it an existing building that has an access value of about \$1M. The site has an active business in the building and the unsolicited proposal was suggesting that the DIA purchase the property subject to the terms of the long-term lease. They were offering to pay \$325,000 for the parcel. No timeframe for anything to be in terms of redevelopment on the site, because of the existing business on the site.

In consistent with the criteria established about when to consider an unsolicited proposal, CEO Boyer's suggestion is not to consider that proposal.

The committee will make a recommendation to the Board based on recommendation. There is a \$350,000.00 offer, the land value is assessed at \$975,000 and a building value of one million sixty dollars. There is a 1997 lease for 30 years with eight remaining until 2027.

The other proposal is \$125,000 offer for property that is assessed at \$800 +, for a mixed use project with no definition and no time frame for construction.

**A MOTION WAS MADE BY BOARD MEMBER GILLAM AND SECONDED BY BOARD MEMBER GIBBS TO AMEND THE RESOLUTIONS TO REFLECT THAT ANY PENDING ITEMS THAT WOULD FOLLOW IN THOSE PERIMETERS WILL BE HANDLED PURSUANT TO POLICY.**

**THE MOTION PASSED UNANIMOUSLY 4-0-0.**

CEO Boyer stated that there are more strategic in nature items that the committee needs to have a discussion in regards to the below:

- Conversion to two-way streets to focus on retail enhancement and facade program.
- There may be a joint meeting with Retail enhancement to discuss changing the per square foot numbers.
- A suggestion was made to find a meeting time in the next 30-days.

Board Member Gibbs inquired if there was a quorum requirement for this committee. He addressed concerns of attendance due to the items that has to be reviewed by this committee, prior to going to the regular board.

John Sawyer responded with the DIA **Bylaws 5.5 Standing Committee Quorum**: A quorum of any standing committee shall consist of a majority of the regular members, In the event of absence or conflict by one of the standing committee members, the Chair shall be counted in determining whether a quorum I present and shall be entitled to vote.

Board Member Padgett suggested adding more members to the committees.

## **VI. ADJOURNMENT**

There being no further business, Committee Chairman Moody adjourned the meeting at approximately 2:00 p.m.

The next Strategic Implementation Committee meeting will be determined.

*The written minutes for this meeting are only an overview of what was discussed. For verbatim comments of this meeting, an audio CD is available upon request. Please contact Karen Underwood, at (904) 630-3492, or by email at karenu@coj.net.*

# BLACKWATER CAPITAL, LLC

## VIA HAND DELIVERY

August 7, 2019

Ms. Lori Boyer, CEO  
Downtown Investment Authority  
117 W. Duval St., Suite 310  
Jacksonville, FL 32202

**Re: Proposal to Purchase City-Owned Property at 200 N. Lee St. (074896-0000) ("Property")**

Dear DIA:

The purpose of this letter is to indicate the basis upon which Blackwater Capital, LLC ("Blackwater"), is prepared to acquire free and clear title to that certain Property, as more particularly described above and on Exhibit A attached hereto, in Duval County, Florida from the City of Jacksonville ("City").

This letter is a letter of intent ("LOI") only; it is not legally binding on either party, notwithstanding anything to the contrary elsewhere in this letter. However, this letter is an indication of good faith intent between the parties to be detailed in a future contractual agreement if the parties agree.

**Assignment and Assumption of Lease:** The City shall assign to Blackwater, and Blackwater shall assume the role of Lessor, to that certain Lease Agreement for Redevelopment of Land, as amended, and recorded on November 21, 1997, in Official Records Book 8783, Pages 182-275, of the public records of Duval County, Florida.

**Project:** Upon expiration of the Lease, Blackwater proposes to redevelop the Property as a mixed-use project to (a) compliment the proposed townhomes adjacent to the Property, and (b) further support the goals of both the North Bank Community Redevelopment Area Plan and the LaVilla Neighborhood Development Strategic Plan.

**Purchase Price:** The purchase price shall be THREE HUNDRED FIFTY THOUSAND AND 00/100 DOLLARS (\$350,000.00) to acquire free and clear title to the Property.

**Deposit:** Upon execution of the Contract, Blackwater shall deliver a refundable deposit of THIRTY FIVE THOUSAND AND 00/100 DOLLARS (\$35,000.00) ("Deposit") with a mutually agreed upon escrow agent ("Escrow Agent") and shall be applied to the Purchase Price at Closing.

**Inspection Period:** Commencing upon the effective date of the LOI and continuing for ninety (90) days after the effective date of the Contract, Blackwater shall have the right to review title, survey, easements, entitlements, environmental reports, civil engineering plans, utility availability plans, master stormwater retention plans; and to physically inspect the Property ("Inspection Period"), during which time the City, DIA and Lessee shall fully cooperate with Blackwater and shall provide Blackwater with complete access to the Property and all related Property records.

**Termination:** If, for any reason whatsoever, at any time prior to the expiration of the Inspection Period, Blackwater elects not to proceed with the transaction, Blackwater shall have the right to terminate the

Blackwater Capital  
200 N. Lee St. LOI  
August 7, 2019

Contract, whereupon the Deposit shall be returned to Blackwater, and the Contract shall be null and void, and the parties shall have no further obligation or recourse against each other.

**Closing:** This transaction will close ("Closing") on a date mutually agreeable to Blackwater and the City no later than ten (10) days after the expiration of the Inspection Period.

**Closing Costs:** The Closing Costs shall be allotted per local custom.

**Brokerage Commission:** Blackwater and the City acknowledge that there are no brokers or agents involved in this transaction.

This offer, when accepted, will constitute the agreement between the parties to negotiate in good faith toward the signing of the Contract consistent with the terms of this LOI.

Sincerely,



William A. Stanly, III  
Managing Member

Exhibit A

Entire Block bound by Monroe Street, Lee Street, Adams Street and I-95



# BLACKWATER CAPITAL, LLC

## VIA HAND DELIVERY

August 7, 2019

Ms. Lori Boyer, CEO  
Downtown Investment Authority  
117 W. Duval St., Suite 310  
Jacksonville, FL 32202

**Re: Proposal to Purchase City-Owned Property at 0 W. Forsyth St. (074836-0000), 0 W. Bay St. (074837-0000), 1015 W. Bay St. (074838-0000), 1017 W. Bay St. (074839-0000), and 0 W. Bay St. (074840-0000) ("Property")**

Dear DIA:

The purpose of this letter is to indicate the basis upon which Blackwater Capital, LLC ("Blackwater"), is prepared to acquire free and clear title to that certain Property, as more particularly described above and on Exhibit A attached hereto, in Duval County, Florida from the City of Jacksonville ("City").

This letter is a letter of intent ("LOI") only; it is not legally binding on either party, notwithstanding anything to the contrary elsewhere in this letter. However, this letter is an indication of good faith intent between the parties to be detailed in a future contractual agreement if the parties agree.

**Project:** Blackwater proposes to redevelop the Property as a mixed-use project to (a) compliment the proposed townhomes adjacent to the Property, and (b) further support the goals of both the North Bank Community Redevelopment Area Plan and the LaVilla Neighborhood Development Strategic Plan.

**Purchase Price:** The purchase price shall be ONE HUNDRED TWENTY FIVE THOUSAND AND 00/100 DOLLARS (\$125,000.00) to acquire free and clear title to the Property.

**Deposit:** Upon execution of the Contract, Blackwater shall deliver a refundable deposit of TWELVE THOUSAND FIVE HUNDRED AND 00/100 DOLLARS (\$12,500.00) ("Deposit") with a mutually agreed upon escrow agent ("Escrow Agent") and shall be applied to the Purchase Price at Closing.

**Inspection Period:** Commencing upon the effective date of the LOI and continuing for ninety (90) days after the effective date of the Contract, Blackwater shall have the right to review title, survey, easements, entitlements, environmental reports, civil engineering plans, utility availability plans, master stormwater retention plans; and to physically inspect the Property ("Inspection Period"), during which time the City and DIA shall fully cooperate with Blackwater and shall provide Blackwater with complete access to the Property and all related Property records.

**Termination:** If, for any reason whatsoever, at any time prior to the expiration of the Inspection Period, Blackwater elects not to proceed with the transaction, Blackwater shall have the right to terminate the Contract, whereupon the Deposit shall be returned to Blackwater, and the Contract shall be null and void, and the parties shall have no further obligation or recourse against each other.



Blackwater Capital  
LaVilla Block 3C LOI  
August 7, 2019

**Closing:** This transaction will close (“Closing”) on a date mutually agreeable to Blackwater and the City no later than ten (10) days after the DIA and City have granted to Blackwater all entitlements and approvals necessary to construct the Project.

**Closing Costs:** The Closing Costs shall be allotted per local custom.

**Brokerage Commission:** Blackwater and the City acknowledge that there are no brokers or agents involved in this transaction.

This offer, when accepted, will constitute the agreement between the parties to negotiate in good faith toward the signing of the Contract consistent with the terms of this LOI.

Sincerely,

A handwritten signature in blue ink, appearing to read 'WS III', with a long horizontal flourish extending to the right.

William A. Stanly, III  
Managing Member

**Exhibit A**

**Entire Block bound by Forsyth Street, Lee Street, Bay Street and Johnson Street**

