

RESOLUTION 2020-07-06

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.

WHEREAS, via the adoption of Resolution 2018-01-01, the DIA instructed its Chief Executive Officer (“CEO”), through the City’s Procurement Division, to seek proposals for the development of a convention center hotel, parking garage and convention center space to be located on City-Owned property located at 220 East Bay Street and 330 East Bay Street (the “Project”); and

WHEREAS, on March 30, 2018, the DIA through the City’s Procurement Division issued ISP-447-18 (the “Notice”) for the proposed development of the Project; and

WHEREAS, via adoption of Resolution 2018-09-05, the DIA selected Jacobs Engineering as the highest ranking proposer received pursuant to the Notice; and

WHEREAS, following consideration of the costs and timing of moving forward with the proposal and the recommendations of the consulting report from Strategic Advisory Group the DIA concluded that, while a new convention center would be catalytic, absent incorporation into a destination development (e.g. entertainment complex) or until further entertainment development occurs, the success of a convention center is premature.

WHEREAS, Pursuant to Resolution 2018-12-01, the DIA terminated negotiations with Jacobs Engineering and rejected all proposals and terminated the Notice pursuant to Sections 2.2 and 2.8 of the Notice, and

WHEREAS, The DIA, following the recommendation of the Strategic Implementation Committee, adopted Resolution 2019-03-01 in which the Board elected to initiate a process to move forward with development of a new formal Notice of Disposition on the site with the assistance of a professional real estate consultant regarding highest and best use and development of the evaluation criteria and terms of the NOD, among other responsibilities, and

WHEREAS, on September 18, 2019, after considering the advice of CBRE regarding the highest and best use of the site and suggested evaluation criteria and terms, the DIA Board adopted Resolution 2019-09-03, instructing its CEO to cause to be issued a Notice of Disposition for the Property, consistent with Florida Statutes Chapter 163.380(3)(a) City of Jacksonville Ordinance Code Chapter 122, Subpart C Community Redevelopment Real Property Dispositions and incorporating the terms of and scoring criteria for such disposition; and

WHEREAS, the DIA, through the City's Procurement Division, released on October 21, 2019, ISP-0307-20 - Notice of Disposition with a Proposal Due Date of January 22, 2020 ("NOD"); and

WHEREAS, the pursuant to Resolution 2020-02-01, and following public comment and discussion by the Board of potential convention center use of the site, the DIA selected Spandrel Development Group as the respondent to ISP-0307-20 whose proposal was deemed in the public interest, furthered the North Bank Community Redevelopment Area Plan and furthered Sec. 163.380 Florida Statutes, and approved entering into negotiations for a Term Sheet with Spandrel Development Group for the sale and redevelopment of the Courthouse Site and a contingent sale and redevelopment of the Annex Site, and

WHEREAS, following the board action on Resolution 2020-02-01, DIA staff obtained from the City's Procurement Division a copy of a previously sealed unsolicited proposal for the same site which had been received while the NOD process was open but which had not been submitted in compliance with the procurement procedures required for the NOD, and

WHEREAS, following review by staff, it was determined that the proposal was a proposal for a convention center and associated facilities on the subject site, submitted by essentially the same respondent and of the same design, as the previous Jacobs proposal above with a revised financial structure that contemplated the City would retain ownership of the property and enter into a long term agreement with the proposer to operate the facility for an amount that covered construction costs and operating losses the terms of which were to be negotiated; and

WHEREAS, the DIA, by its previous decisions and resolutions described above, has determined that a mixed use development such as the proposal of Spandrel Development is the highest and best use of this site in furtherance of the CRA plan and Florida Statutes, and that circumstances have not changed and the prior conclusions regarding a convention center on the site remain valid,

NOW THEREFORE, BE IT RESOLVED by the Board of 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 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 and delivered to and held by the City's Office of Procurement until February 24, 2020, is hereby formally rejected.

Section 3. The staff of the DIA shall continue to be mindful of the market readiness of Downtown for a potential convention center as well as the suitability of other potential Downtown sites for this use.

Section 4. This Resolution shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Karen Underwood

Ron Moody
Ron Moody, Chairman

7/20/2020
Date

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