



Downtown Investment Authority Agenda

Hybrid Virtual In-Person Meeting
Wednesday, April 21st 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. March 17, 2021 Community Redevelopment Agency Meeting Minutes
- B. Resolution 2021-04-01: Southside TID FY 20-21 Budget Amendment (Lori Boyer, CEO)
- C. Resolution 2021-04-02: Combined Northside East and Northside West TID FY 20-21 Budget Amendment (Lori Boyer, CEO)
- D. Resolution 2021-04-03: Related Development, LLC RDA Amendment (Steve Kelley, Director of Downtown Real Estate and Development)*
- E. Resolution 2021-04-04: Regions Bank EDA Amendment (Steve Kelley, Director of Downtown Real Estate and Development)*

IV. DOWNTOWN INVESTMENT AUTHORITY

- A. March 17, 2021 Downtown Investment Authority Board Meeting Minutes
- B. Resolution 2021-04-05: Downtown Vision, Inc. FY 21-22 Budget (Lori Boyer, CEO)
- C. Resolution 2021-04-06: Sale of Surplus Water Quality Compensatory Credits (Guy Parola, Operations Manager)
- D. Resolution 2021-04-07: Contribution to Jessie Ball DuPont Fund Downtown Parks Study (Lori Boyer, CEO)

**Resolutions and accompanying term sheets, etc. subject to change based on DIA committee recommendations, which will occur on Friday, April 16th, 2021. Time and location of said committee meetings can be found here: <https://dia.coj.net/Meetings/DIA-Meetings>.*

V. NEW BUSINESS

VI. CEO INFORMATIONAL BRIEFING

VII. CHAIRMAN REPORT

VIII. ADJOURN

[CONTINUED ON FOLLOWING PAGE]

Please be advised that this will be a hybrid virtual in person meeting. Attendees may participate in person or virtually.

PHYSICAL LOCATION

Jacksonville Public Library-Main Library/Downtown
303 North Laura Street
Multipurpose Room (located in the Conference Center)
Jacksonville, Florida 32202

Visitors are encouraged not to enter City owned public buildings if they have: symptoms of COVID-19, a fever of 100.4 degrees Fahrenheit or higher, are currently undergoing evaluation for COVID-19 infection, a diagnosis of COVID-19 in the prior 10 days, or have had close contact with someone infected with COVID-19 during the prior 14 days. Any member of the public entering City owned public building may choose to wear a mask inside the building.

Directions to Multipurpose Room: Upon entering Laura Street entrance to the Library, follow directions and signage for temperature check, then proceed into the Main Library. Walk counterclockwise around the grand staircase and you will see signs for the public elevators. Take the elevator down to level C for Conference Level. Exit the elevator and follow hallway out. Turn left out of the hallway and proceed through glass doors into Conference Center. The Multipurpose Room is the first room on the left.

VIRTUAL LOCATION

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

Join Zoom Meeting

<https://zoom.us/j/94074017448?pwd=WklzbHNRRCT6cFBqL0M4YkNrMkxrQT09>

Meeting ID: 940 7401 7448

Passcode: 642945

One tap mobile

+1 (301) 715-8592 (Washington D.C)

+1 (312) 626-6799 US (Chicago)

Find your local number: <https://zoom.us/u/aclhApq5DJ>

TAB III.A

**MARCH 17, 2021 COMMUNITY REDEVELOPMENT AGENCY
MEETING MINUTES**



Downtown Investment Authority
Hybrid Meeting
Wednesday, March 17, 2021 – 2:00 p.m.

Community Redevelopment Agency
MEETING MINUTES

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

DIA Board Members Excused: None

Mayor's Staff: None

Council Members: Council Member LeAnna Cumber, District 5

DIA Staff: Lori Boyer, Chief Executive Officer; Steve Kelley, Director of Development; John Crescimbeni, Contract and Regulatory Compliance Manager; Guy Parola, Operations Manager; Lori Radcliffe-Meyers, Redevelopment Coordinator; and Xzavier Chisholm, Administrative 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.

Chairman Moody announced each DIA Board Member and DIA staff present.

II. PUBLIC COMMENTS

Chairman Moody opened the floor to public comment.

The following persons made in-person public comments, made public comments virtually through Zoom, or provided comments that were read into the record by DIA Staff. Note: the subject matter of the comment(s) indicated to the right of each person:

John Nooney
Michael Kirwan, of Scenic Jacksonville
Stanley Scott, of AAERTT

Kayak Launches; Riverfront Accessibility
Support of Laura Street Trio
Riverfront Accessibility; Economic Development

III. COMMUNITY REDEVELOPMENT AGENCY MEETING

A. NOVEMBER 18, 2020 COMMUNITY REDEVELOPMENT AGENCY MEETING MINUTES

Having called for corrections or other edits by his fellow board members and after receiving none, Chairman Moody asked for a motion and second on the item.

Motion: Board Member Worsham moved to approve the minutes as presented

Seconded: Board Member Gibbs seconded the motion

Vote: Aye: 9 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 9-0-0.

B. FEBRUARY 17, 2021 COMMUNITY REDEVELOPMENT AGENCY MEETING MINUTES

No comments were made.

Motion: Board Member Worsham moved to approve the minutes as presented

Seconded: Board Member Gibbs seconded the motion

Vote: Aye: 9 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 9-0-0.

C. RESOLUTION 2021-03-01: LAURA STREET TRIO DPRP

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) APPROVING A DOWNTOWN PRESERVATION AND REVITALIZATION PROGRAM TERM SHEET AND RECOMMENDING THAT CITY COUNCIL APPROVE A DOWNTOWN PRESERVATION AND REVITALIZATION PROGRAM FORGIVABLE AND DEFERRED PRINCIPAL LOAN PACKAGE WITH LAURA TRIO, LLC, FOR RENOVATIONS TO THOSE THREE BUILDINGS COLLECTIVELY REFERRED TO AS THE “LAURA TRIO” AND INDIVIDUALLY KNOWN AS THE FLORIDA NATIONAL BANK BUILDING, THE BISBEE BUILDING AND THE FLORIDA LIFE INSURANCE BUILDING; FINDING THAT THE PLAN OF DEVELOPMENT IS CONSISTENT WITH THE DIA’S BUSINESS INVESTMENT AND DEVELOPMENT PLAN (“BID PLAN”) AND THE NORTH BANK DOWNTOWN AND SOUTHSIDE COMMUNITY REDEVELOPMENT AREA PLAN (“CRA PLAN”); AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO EXECUTE THE CONTRACTS AND DOCUMENTS AND OTHERWISE TAKE ALL NECESSARY ACTION IN CONNECTION THEREWITH TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING AN EFFECTIVE DATE.

Chairman Moody gives the floor to Mr. Kelley to introduce the resolution.

Mr. Kelley provided an overview of the project as it relates to the Resolution, stating the following:

- It is a Downtown Preservation and Revitalization Program request totaling \$24,674,300 for the redevelopment of the historic properties known as the Laura Street Trio. This includes the Florida National Bank building, the Florida Life building, and the Bisbee building.

- The redevelopment is being undertaken by the Southeast Development Group, represented by Steve Atkins.
- The redevelopment calls for the restoration of the properties in addition to construction of a new 8-story 37,000 sq ft building to be combined with the Trio and operated as a single integrated hotel property.
- In total, the redevelopment provides over 158,000 sq ft of development space.
- The marble bank would become an 18,000 sq ft restaurant, including a 7,400 sq ft private dining wine cellar space in the basement. The restaurant would be operated by the hotel management group Winegardner & Hammons.
- The Florida Life building would house the lobby and business center on the ground floor, a theater in the basement, a fitness and media center on the 2nd floor, and eight floors with 35 hotel rooms on the floors above.
- The Bisbee building would include a 4,400 sq ft retail bodega on the ground floor, a 4,000 sq ft conference center on the 2nd floor, and 56 hotel rooms on the eight floors above.
- The Laura Street addition would provide 8,800 sq ft of retail space on the ground floor and six floors above with nine hotel rooms per floor. It would also include a 4,650 sq ft rooftop bar for the 8th floor.
- An 11-story circulation core will be constructed because the buildings are not at the same height. This includes 2,000 sq ft of additional lobby space on the 1st floor and 10 floors with two elevators and stairs for circulation between the buildings.
- A motor court for arrival and departure is planned for W Adam Street.
- The remainder of the parcel [southeast corner] is reserved for future development.
- The development plan has received conditional approval from the Historic Preservation section of the Planning and Development Dept. and has also received conceptual approval from the DDRB. Each of the historic properties have received local historical landmark status and the development plan has also received approval on the Part I application from the National Park Service to be treated as a single project.
- The DPRP recommendation includes \$9,377,766 in the form of a Historic Preservation Restoration and Rehabilitation Forgivable Loan
- \$10,016,699 as a Code Compliance Renovation Forgivable Loan
- \$5,279,835 as a DPRP Deferred Principal Loan
- The structure of the HPRR and the CCR are Forgivable Loans over 5 years with a standard claw back for early sale or refinance.
- The Deferred Principal Loan has a 10-year maturity, at which point requires full repayment. Interest-only payments are required on an annual basis, established at the 10-year treasury rate at the time of closing. Up to 50% of the principal may be repaid after the 5th year with that minimum balance remaining through the 10th anniversary.

- Development costs total more than \$70M, making the DPRP 35% of the total as proposed.
- Adjusted total development costs as underwritten equal \$66.9M, making the DPRP funding 36.8% of the adjusted total which is below the 40% maximum amount allowed based on the equity level provided. These amounts may be revised downward in proportion to cost savings or revisions to the development budget. Any changes would require adherence with DPRP guidelines.
- It is not in the Term Sheet, but Mr. Kelley proposed that downward adjustments to the adjusted total development costs greater than 10% require reapproval by the DIA Board.
- Equity is provided primarily through the \$5.3M property contributed to the project as supported by a third-party appraisal dated May of 2020. \$4M of cash equity injected into the project is largely offset by the \$3.5M of developer and management fee.
- Historic tax credits are expected to provide \$9,461,000 of additional equity to the project.
- Total equity reaches \$16.5M or 23.4% of the adjusted total development costs.
- Senior debt is proposed at \$25,760,000.
- The ROI is calculated at 0.87. It includes:
 - Annual project revenues which is the incremental ad valorem over a 20-year period of \$6.8M.
 - Local option sales tax of \$9.6M, which includes the bed tax. Based on an average daily rate of \$160 and an occupancy of 73.5%
 - Interest on the DPRP Deferred Principal Loan of \$660,000.
 - Present value of the repayment on the Deferred Principal Loan of \$3.7M
 - Total expected benefits of the City of \$21.5M
- The Trio property today is currently encumbered by a \$2M lien that must be cleared as a condition of closing.
- The architect on the project is Dasher Hurst; the general contractor is Danis Construction; Piper Sandler is the investment banker arranging debt and equity for the project.

SIC Member Ward summarized the discussion and findings of the March 15th SIC meeting, stating that the committee unanimously voted to approve the recommendation and is in favor of the direction of the projects as they relate to bringing value, growth, and productivity to downtown.

Chairman Moody called for a motion.

Motion: Board Member Adams moved to approve Resolution 2021-03-01 as presented

Board Member Gillam asked if the Claw Back provisions allow the borrower to sell the membership interest. CEO Boyer responded that typically a transfer of controlling interest in the Managing or Operating entity is deemed a sale or transfer but will depend on the drafting of this redevelopment

agreement. Adding that it is not addressed in the term sheet but is expected to be addressed in the redevelopment agreement.

Motion: Board Member Gillam moved to amend Resolution 2021-03-01

The following amendments were proposed:

1. Ensure that Borrower is defined in regard to Claw Back Rights; that if a controlling interest or membership interest is assigned or sold it would trigger Claw Back; and
2. An excess of 10% downward movement in overall cost would come back to the Board for approval, as suggested by DIA staff.

Chairman Moody called for a second on the proposed amendments to Resolution 2021-03-01.

Seconded: Board Member Barakat seconded the proposed amendments

Seeing no further discussion, Chairman Moody called for a vote.

Vote: Aye: 9 Nay: 0 Abstain:

THE MOTION PASSED UNANIMOUSLY 9-0-0

Chairman Moody opened the floor for discussion of the Resolution as amended.

Board Member Worsham stated her support for the Resolution.

Board Member Adams commended Mr. Atkins for his persistence and determination.

Board Member Barakat provided a statement of ex parte communication for the record and asked for clarification on the significant increase in development costs from the previous development proposal during the tenure of former DIA CEO Wallace. Mr. Kelley responded with an overview of the costs and how those costs were determined. Committee Member Barakat noted the significant incentives being provided and cautioned against setting a precedent. Adding that the DIA should ensure that developer costs are verified in the future.

Board Member Barakat asked how long the developer has to get final DDRB approval. Mr. Kelley responded that it can only come after the National Park Service has provided its approval on the Part II application and that the NPS has been slow with processing. Mr. Atkins commented that he speaks with the NPS on a regular basis and expects to have approval within 3 months. Board Member Barakat proposed an amendment to allow 1 year to receive approval from the NPS.

Committee Member Barakat asked where the \$24.6M for total development costs will be coming from. CEO Boyer stated that it will be legislation to City Council that requests a future appropriation.

Motion: Board Member Barakat moved to amend Resolution 2021-03-01

The proposed amendments include:

1. In the performance schedule, the developer will need to obtain final DDRB approval within 60 days of NPS approval

2. The developer will have no more than 12 months from the execution of the redevelopment agreement to obtain NPS approval

Seconded: Board Member Gillam seconded the proposed amendments

Chairman Moody opened the floor for discussion.

Board Member Gibbs requested a change to the language of the proposed amendment, stating that the developer must make application for final approval within 60 days. Board Member Barakat agreed and provided the change in language to his proposed amendment.

Council Member Cumber asked for clarification on the timeline. Board Member Barakat stated that the amendment provides the developer with 12 months from the effective date of the redevelopment agreement to obtain NPS approval. Council Member Cumber requested a change to the language of the proposed amendment, stating that the 12 months should be from the date the developer submitted for approval to the NPS. Board Member Barakat agreed and provided the change in language to his proposed amendment.

Seconded: Board Member Gillam seconded the proposed revisions to the amendments

Chairman Moody opened the floor for discussion.

Board Member Adams stated that the proposed revision by Council Member Cumber places a penalty on the developer as opposed to assisting with advancing the project along. Mr. Atkins responded that, to his knowledge, the longest it has taken to receive NPS approval is 100 days and is confident that they will receive the approval well before the deadline.

Mr. Kelley stated that Part II was submitted in January of 2020 according to his records and received clarification from Mr. Atkins that it should be recorded as January of 2021.

Board Member Citrano clarified that the funds are provided from City Council at the completion of the project and asked Mr. Atkins what steps need to be taken once approval has been obtained to conclude financing, both debt and equity. Mr. Atkins responded that Piper Sandler has already underwritten the project and has arranged the debt and equity from one of their funds. The closing is set for June. Mr. Atkins added that the project is proceeding along the timeline, the only contingencies being the approval of incentives and the Part II application. Board Member Citrano applauded Mr. Atkins for his efforts.

CEO Boyer clarified that only two amendments are allowed for a primary motion and that changes have been made to the Term Sheet since the March 15th SIC meeting that reflect the 10% downward movement in overall cost require Board approval.

Board Member Froats stated that he agrees with Board Member Barakat's previously mentioned caution toward verifying developer costs. Board Member Froats asked for clarification regarding when the loans are executed. CEO Boyer responded that they are provided at the completion of the project.

Board Member Froats asked what protections the City has in a worst-case-scenario. CEO Boyer responded that there is no language in the Term Sheet that protects against the developer failing to complete work within a time frame. Board Member asked for a risk assessment. CEO Boyer

responded that the likelihood of completion is very high. Board Member Citrano commented that the protection is that the funds are not distributed unless the project is complete. Board Member Froats stated his concern was with there being a half-built project, not with the funds.

Board Member Froats brought attention to the ROI, noting that the ROI will not always be 1.0 but there can still be significant added value and benefits to the City overall. Mr. Kelley responded that the ROI for the project is 0.871 and that program guidelines require a ROI of greater than 0.5. Mr. Kelley added that the Bed Tax brings in about \$9M which went into the ROI calculation.

Seeing no further discussion, Chairman Moody called for a vote on the proposed amendments to Resolution 2021-03-01.

Vote: Aye: 9 Nay: 0 Abstain:

THE MOTION PASSED UNANIMOUSLY 9-0-0

Chairman Moody called for a vote on the original Resolution, as amended.

Vote: Aye: 9 Nay: 0 Abstain:

THE MOTION PASSED UNANIMOUSLY 9-0-0

Mr. Atkins thanked all of those involved in making the project come to fruition.

D. RESOLUTION 2021-03-02: LAVILLA TOWNHOMES NOTICE OF DISPOSITION

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) INSTRUCTING ITS CHIEF EXECUTIVE OFFICER (“CEO”) TO ISSUE A 30-DAY NOTICE OF DISPOSITION IN ACCORDANCE WITH THE NEGOTIATED DISPOSITION PROCEDURE ADOPTED BY DIA, FOR AN APPROXIMATELY 3.45 ACRE PARCEL OF CITY-OWNED REAL PROPERTY LOCATED GENERALLY BETWEEN LEE STREET, FORSYTH STREET, ADAMS STREET AND STUART STREET; APPROVING THE TERMS AND CONDITIONS INCLUDED AS EXHIBIT ‘A’ AND EXPRESSING THE INTENTION TO DISPOSE OF SAID PROPERTY SUBSTANTIALLY IN ACCORDANCE WITH THE NEGOTIATED TERMS TO JOHNSON COMMONS, LLC (THE “DEVELOPER”) UPON EXPIRATION OF THE THIRTY DAY NOTICE PERIOD ABSENT HIGHER RESPONSIVE OFFERS; AND FINDING THAT THIS RESOLUTION FURTHERS THE BUSINESS INVESTMENT AND DEVELOPMENT (“BID”) PLAN, INCLUDING THE COMMUNITY REDEVELOPMENT AREA PLAN; PROVIDING AN EFFECTIVE DATE.

Chairman Moody gave the floor to CEO Boyer to introduce the Resolution.

CEO Boyer summarized the Resolution, stating that it authorizes the DIA to proceed with the Notice of Disposition on the 3.45-acre parcel known as the LaVilla Townhome site. CEO Boyer stated that the DIA received several responses to the Notice of Disposition from August 2019 regarding the LaVilla Townhome site and that Vestcor had the best score. Originally, Vestcor was chosen by the

Board and awarded the contract which conveyed the property to them; however, the property has been reconveyed to the City as a result of Vestcor not being able to maintain their commencement of construction date of July 1st, 2020. CEO Boyer added that Vestcor was uncomfortable moving forward on a for-sale product considering the timing [pandemic/market uncertainty]. After guidance from Procurement, CEO Boyer proceeded with a Notice of Disposition and reengaged Johnson Commons who had the second-best score and was still interested in pursuing the development. Johnson Commons consist of partnership between Mr. Sifakis of JWB and Mr. Allan of Cornerstone. The following modifications were mentioned in Johnson Commons' new proposal:

- Reduced the number of units from 99 to 91 which expands the commercial parcel and adds a swimming pool
- The initial proposal stated that 4,500 sq ft retail space [Phase I] would be constructed immediately, and the remaining retail space would be constructed in Phase II. The new proposal states that the entire retail space [10,000 sq ft], which is the frontage along Lee and coming back along Forsyth, is all in Phase II. The “L” shaped parcel that fronts on Lee and comes back on Forsyth could be mixed-use, meaning there could be residential units above the retail.
- If construction does not commence within 7 years, there is a Claw Back for Right of Reverter. In that scenario, the space would be used as a public park and maintained by the developer.
- The developer has asked to use the purchase price amount of \$1.
- ROI is above 1.0.
- They have eliminated the contemporary design for the townhomes; instead, all townhomes will feature the Shotgun Style.

CEO Boyer added that if no other bids are received within 30 days, the DIA may proceed with negotiations of the redevelopment agreement with Johnson Commons and then go to City Council with it. If other bids are received, they would be brought to the Board for consideration.

Chairman Moody received confirmation from CEO Boyer that if no other offers are received, the vote today allows the DIA to proceed with the negation of the Redevelopment Agreement and file the legislation with City Council.

Chairman Moody gave the floor to Board Member and RE&PD Committee Chair Worsham to present the committee's recommendations.

Board Member Worsham stated that the committee discussed the items CEO Boyer introduced as well as maintenance of the park and the \$150,000 contribution to the Lift Every Voice and Sing Park. Adding that the committee was in favor of the Resolution.

Motion: Board Member Worsham moved to approve Resolution 2021-03-02 as presented

Chairman Moody opened the floor for discussion.

Board Member Adams asked if the Phase II portion will be in the “L” shaped piece. Board Member Worsham confirmed that is correct.

Board Member Barakat asked why the DIA should enter into an agreement with the developer before knowing how the market will react to the Notice of Disposition. CEO Boyer responded that it is at the Board's discretion. If the Board chooses, the Notice of Disposition doesn't have to include restraints or terms, and that the DIA continued with the previously negotiated criteria and Terms to avoid the long process associated with starting from scratch. Board Member Barakat stated that he would prefer the agreement provide for a shorter timespan than the current 7-year proposal. Mr. Leone, of Corner Lot Development Group, responded that the 7-year timeframe allows them to evaluate the area once the townhomes are built and occupied so that the activity will draw commercial and retail use as well. Mr. Leone added that they are open to negotiating the timeframe. CEO Boyer clarified for Board Member Barakat that the Board can discuss and approve a timeframe at a later date.

Board Member Citrano stated he filed a Form 8 for his company's previous relationship with Corner Lot. He added that he is more concerned with expediency than he is with considering other offers. He is in favor of the Resolution, subject to receiving no other offers.

Board Member Froats asked the developer what his concerns are with the timeframe. Mr. Leone said they feel confident in their townhomes and the product they are going to put forward considering the strong market. Mr. Leone noted the uncertainty in the retail market and stated that they previously wanted a restaurant there but also wanted to allow an appropriate amount of time to produce a quality product that is going to benefit the city.

Chairman Moody commented that during the RE&PD committee meeting the developer communicated that they plan to monitor the market but that there is a sense of urgency there as well.

CEO Boyer stated that the language could be changed to provide 7 years from the execution of the RDA as opposed to 7 years from the date of closing.

Board Member Froats asked if the properties can be rented. CEO Boyers stated that they need to be sold as individual units and that they are not able to be sold to one person as a management company for that purpose. There is no preclusion that an individual unit owner cannot rent their unit.

Board Member Froats suggested putting a restaurant in the retail space sooner to help strengthen the market. Mr. Leone clarified for Board Member Froats that they would not be able to draw interest from restaurants until there are units in the area that show activity.

Board Member Gibbs asked who makes the decision if another bid is made. Noting that even though he supports the current project, he does not want to abdicate the Board's task of considering all bids by prematurely giving license to the developer. Board Member Barakat clarified that his concern is with prematurely agreeing to criteria and terms without having tested the market. CEO Boyer commented that the current language states that the CEO of the DIA is required to bring to the Board any responsive alternate proposals received that demonstrate an ability to perform on substantially the same terms and conditions.

Board Member Ward suggested an amendment to the original motion.

1. A requirement for commencement of Phase II within 5 years of the execution date of the RDA.

Motion: Board Member Ward moved to amend Resolution 2021-03-02

Seconded: Board Member Barakat seconded the motion

Board Member Adams stated that he is concerned with accelerating the development, having the developer bring a product to market where a market may not exist. He noted that the adjoining parcels are a homeless shelter, an industrial-use that's half-surfaced parking, two surface parking lots, the JTA building, and another surface parking lot. Board Member Adams stated his support for allowing the developer the 7 years.

Chairman Moody Called for a vote on the proposed amendment.

Vote: Aye: 6 Nay: 3 Abstain: 0

THE MOTION PASSED 6-3-0

Chairman Moody called for a vote on Resolution 2021-03-02, as amended.

Mr. Crescimbeni read a Form 8B for Board Member Citrano. Mr. Sawyer clarified that Board Member Citrano is able to vote.

Vote: Aye: 9 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 9-0-0

E. RESOLUTION 2021-03-03 DVI DISTRICT EXPANSION

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY SUPPORTING THE EXPANSION OF THE DISTRICT BOUNDARIES OF THE BUSINESS IMPROVEMENT DISTRICT AND THE EXPANSION OF PROPERTY CLASSES ASSESSED BY DOWNTOWN VISION, INC. WITHIN THE BUSINESS IMPROVEMENT DISTRICT; SUPPORTING THE ADOPTION BY THE CITY COUNCIL OF THE PROPOSED EXPANSION; AUTHORIZING THE DOWNTOWN INVESTMENT AUTHORITY CHIEF EXECUTIVE OFFICER TO EXECUTE ALL DOCUMENTS AND OTHERWISE TAKE ALL ACTION NECESSARY TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

Chairman Moody gives the floor CEO Boyer to introduce the resolution.

CEO Boyer stated that the DVI Board has recommended the geographic expansion of their service boundaries as well as the classes of property that are assessed. Currently only commercial properties are assessed, the recommended expansion will include residential properties with certain exceptions. CEO Boyer added that the Resolution is a recommendation to City Council whether to support the expansion or not. Section II of the Resolution states the DIA's support of the proposed expansion. Section III states the DIA's support of including residential properties.

SIC Chairman Ward provided an overview of the committee’s discussion. The committee was receptive to Mr. Gordon’s presentation and they reviewed the two primary components [geographic expansion and classes of properties that are assessed] to the recommendation in detail as well as the four exemptions to residential properties. The committee voted in favor.

Mr. Gordon, of DVI, presented the following recommendations:

- The millage rate would remain 1.1mils.
- Expansion of geographic boundaries.
- Ability to assess residential properties
 - Exemptions:
 - Homestead Exemption
 - New residential properties are exempt for 5 years to allow for stabilization
 - Products of affordable housing (received funding through the Florida Housing Finance Corporation)
 - Adaptive reuse projects (received funding through City of Jacksonville Historic Preservation Fund)
- The district would go from approx. 0.5 sq miles to 1.3 sq miles.
- \$875,000 of newly generated revenue from expansion
- 11% of new funds to staffing/administrative; 82% to district services/experience creation; 7% to marketing/information management
- More focus on public realm and public spaces

Chairman Moody opened the floor to discussion from the Board.

Board Member Barakat stated he is a volunteer Board Member of DVI and had Mr. Crescimbeni read his Form 8B into the record. Mr. Sawyer stated that he is able to vote.

Chairman Moody stated that he had a motion and a second. Seeing no further discussion, Chairman Moody called for a vote on Resolution 2021-03-03 as presented.

Vote: Aye: 9 Nay: 0 Abstain: 0

THE MOTION PASSED UNANIMOUSLY 9-0-0

F. RESOLUTION 2021-03-06: BERKMAN RIPARIAN RIGHTS

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) INSTRUCTING ITS CHIEF EXECUTIVE OFFICER (“CEO”) TO ISSUE A 30-DAY NOTICE OF DISPOSITION IN ACCORDANCE WITH THE NEGOTIATED DISPOSITION PROCEDURE ADOPTED BY DIA, FOR THE GRANTING OF AN UPLAND EASEMENT THAT GRANTS RIPARIAN RIGHTS ADJACENT TO CITY OWNED PROPERTY FRONTING THE BERKMAN MARINA TO THE OWNER OF SAID MARINA IN ORDER TO FACILITATE A RENEWAL OF THE SUBMERGED LANDS LEASE FOR SAID MARINA; APPROVING THE TERMS AND CONDITIONS INCLUDED AS EXHIBIT ‘B’ AND EXPRESSING THE INTENTION TO DISPOSE OF SAID PROPERTY INTEREST SUBSTANTIALLY IN ACCORDANCE WITH THE NEGOTIATED TERMS TO DB HOLDINGS

COMPANY AMELIA ISLAND, LLC (TOGETHER WITH ITS PREDECESSOR-IN-INTEREST DB HOLDINGS, L.L.C., (THE “DEVELOPER”) UPON EXPIRATION OF THE THIRTY DAY NOTICE PERIOD ABSENT HIGHER RESPONSIVE OFFERS; AND FINDING THAT THIS RESOLUTION FURTHERS THE BUSINESS INVESTMENT AND DEVELOPMENT (“BID”) PLAN, INCLUDING THE COMMUNITY REDEVELOPMENT AREA PLAN; PROVIDING AN EFFECTIVE DATE.

Chairman Moody gave the floor to CEO Boyer to introduce the Resolution.

CEO Boyer provided an overview, stating that the entire Berkman property was held by DB Holdings – who was the original developer – and were responsible for developing the Berkman townhomes, the Berkman I area, and the Riverwalk. DB Holdings conveyed to the City the Riverwalk property. Prior to this they had developed the Marina shaded in pink in Exhibit A and obtained a Submerged Land Lease from the state. When the Riverwalk property was conveyed to the City, it is a question whether they reserved Riparian Rights or not. CEO Boyer noted that the City attorney’s position is that they did not reserve the Riparian Rights, so when the property was conveyed to the City so were the Riparian Rights. The owner needs the Upland Easement Rights so that he can assume the Marina Submerged Land Lease and then renew that Submerged Land Lease in his company name. In an attempt to clear title, the Resolution provides the CEO with authority to issue a Notice of Disposition as is consistent with Florida Statutes and Jacksonville’s Ordinance Code that states any disposition of property or property rights under control of the CRA requires that the DIA go through a Notice of Disposition process.

RE&PD Committee Chair Worsham stated they were in favor of the resolution.

Chairman Moody opened the floor for discussion.

Board Member Barakat asked for clarification on who the owner is. CEO Boyer responded that it is DB Holdings, based in Atlanta.

CEO Boyer clarified for Board Member Citrano that both the owner and the City believe they have the Riparian Rights, but that the City intends to quick claim their interest or convey an Easement interest in the Riverwalk that allows them to have the Riparian Rights to operate the Marina.

CEO Boyer clarified for Board Member Froats that the blue shaded area in Exhibit A is part of the Riverwalk which includes a Right of Public Use. Adding that, the Riparian Rights are a unique property interest beyond their right to use the Riverwalk. CEO Boyer also clarified for Board Member Citrano that the owner would not be required to maintain the Riverwalk and that the Riverwalk stays within the boundaries that was granted to the City.

Chairman Moody stated that he had a motion and a second. Seeing no further discussion, Chairman Moody called for a vote on Resolution 2021-03-06 as presented.

There was public comment from John Nooney regarding Berkman Plaza.

Vote: Aye: 8 Nay: 0 Abstain: 1

THE MOTION PASSED UNANIMOUSLY 8-0-1

Board Member Gillam left the meeting.

G. RESOLUTION 2021-03-04: CEO AUTHORIZATION: MPS LITIGATION

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AUTHORIZING ITS CHIEF EXECUTIVE OFFICER (“CEO”) TO TAKE ALL ACTIONS NECESSARY TO ADEQUATELY REPRESENT THE CITY AND DIA IN PENDING LITIGATION; PROVIDING FOR AN EFFECTIVE DATE.

Board Member Citrano stated he has a conflict that prevents him from participating in discussion and voting. Mr. Crescimbeni read Board Member Citrano’s Form 8B into the record.

Mr. Crescimbeni provided an overview of the Resolution and the ongoing litigation with MPS. Mr. Crescimbeni stated that the Resolution is a request for authorization which would allow the DIA to participate in any potential upcoming mediation or settlement of the existing lawsuit as well as provide authorization to file legislation with City Council which would allow up to \$32M of borrowing so to be paid if MPS were found in Default. If MPS is in Default, the DIA could purchase the garages for the underlying industrial revenue bond balance plus \$3 million, which is \$32M. There is no agreement that the DIA will take this action, the Resolution just provides the DIA with the authority to do so if necessary. Mr. Crescimbeni also noted that after reviewing the Council Auditor’s report and paying close attention to monthly cash flow reports that are submitted each month, that they were unable to verify the amounts being reported as being consistent with what is required by the agreement.

SIC Chairman Ward reported that the committee was in favor.

Board Member Adams asked if the litigation is brought in the name of the DIA or the City. Mr. Crescimbeni stated that he believes it is both, as the contract was made with the City and Jacksonville Economic Commission which the DIA is a successor to.

Board Member Adams asked who would be participating in the mediation. CEO Boyer stated that she would welcome a Board Member’s participation but would defer to Mr. Sawyer. Mr. Sawyer commented that he would have to defer to the litigators and cautioned against discussing pending litigation.

Board Member Adams asked has the mediator been selected. Mr. Sawyer responded that he would follow up at a later date as he is not the litigator.

Board Member Barakat asked how the arbitration impacts the DIA’s operating budget. CEO Boyer responded that the DIA is continuing to pay tranche request but are withholding amounts they believe are unsubstantiated or that they cannot document. Adding that, all off the funds previously budgeted are being held and are encumbered so that the funds would be available if it is determined that those amounts are owed. Moving forward, the DIA has put in the budget what they believe to be the projected net operating loss for the garages.

CEO Boyer clarified that the Resolution only gives the CEO authority to participate in mediation and file legislation with the City that would allow the City to perform under the contract. Adding that, any settlement would be brought back to the Board.

Chairman Moody stated that he had a motion and a second. Seeing no further discussion, Chairman Moody called for a vote on Resolution 2021-03-04 as presented.

Vote: Aye: 7 Nay: 0 Abstain: 2

THE MOTION PASSED UNANIMOUSLY 7-0-2

Board Member Gillam left the meeting.
Board Member Citrano abstained.

ADJOURNMENT: The Community Redevelopment Agency proceedings are adjourned at 4:32 p.m.

The written minutes for this meeting are only an overview of what was discussed. For verbatim comments of this meeting, a recording is available upon request. Please contact Xzavier Chisholm at xchisholm@coj.net to acquire a recording of the meeting.

SUPPLEMENTAL INFORMATION

BUDGET MEMO FOR RESOLUTION 2021-04-01 AND RESOLUTION 2021-04-02



Downtown Investment Authority

MEMORANDUM

To: Budget Committee

From: Lori Boyer, CEO

Date: March 30, 2021

Re: 20/21 Budget Amendments

1. **Northbank Combined CRA.** As is customary, our City Council adopted budget included an appropriation to “Unallocated Plan Authorized Expenditures” For 20/21, that amount was \$497,732.00. We have reconciled the outstanding MPS obligations and believe our current funding should be sufficient for the remainder of the year. Similarly, because we have \$197,920 in Future Years Debt Reduction which can be used to cover any deficiencies in actual financial obligations for this year, the Unallocated PAE funds can be used for other projects. Our current balance in retail enhancement, loans and façade grants is sufficient to meet current demand.

We are in the midst of the 5-year plan update, and I believe there will be recommendations for neighborhood park improvements as well as branding recommendations such as banners and additional street activation and art such as painted crosswalks.

At this time, it would be my recommendation to create two new projects:

1. Banners, crosswalks, and street activation art
2. Downtown neighborhood park improvements

The \$497,732.00 can be split between the two efforts and will provide initial funding for those projects.

2. **Southside CRA.** The major financial obligation on the Southside is the public infrastructure commitment for the District. At this time, we have approximately \$10 million of our \$25 million commitment funded. We do have \$864,398.30 in Future Year’s Financial Obligations available to cover REV grant shortages, and the ability to transfer the remainder to the District when our current financial obligations have been paid. The Unallocated PAE appropriated by City Council in this year’s SS TID budget is \$513,471.

There are three potential projects that should be considered for this funding.

1. The District- add to the balance available since reimbursement requests will start as early as May or June.

2. Southbank Parking, including relocation of the UST (underground storage tank)- in the agreement with Related, DIA committed \$1, 650,380. We have \$419,115 on hand, but this commitment would support our legislation pending in Council.
3. Potential park acquisition- we have been in conversation about the donation or purchase at minimal cost of additional park land within the CRA.

Absent further movement on the park discussion, I would recommend allocation to relocation of the UST and the remainder to Southbank Parking.

TAB III.B

RESOLUTION 2021-04-01 SOUTHSIDE TID FY 20-21 BUDGET AMENDMENT

RESOLUTION 2021-04-01

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY ACTING AS THE SOUTHSIDE COMMUNITY REDEVELOPMENT AGENCY BOARD AMENDING THE FY 2020-21 TAX INCREMENT DISTRICT (“TID”) BUDGET FOR THE SOUTHSIDE CRA PURSUANT TO SEC. 163.387, F.S. AND SEC. 106.341, ORDINANCE CODE; PROVIDING AN EFFECTIVE DATE.

WHEREAS, in accordance with Sec. 106.340-106.346, Ordinance Code, the Board has been given authority to allocate and transfer funds within the CRA budget in accordance with the provisions of those sections, without further Council approval; and

WHEREAS, the Adopted FY 20-21 Budget approved by City Council included \$513,471 in Unallocated Plan Authorized Expenditures which pursuant to the Ordinance Codes sections referenced above, the DIA Board has authority to allocate to specific projects and programs within the CRA Plan; and

WHEREAS, the Finance and Budget Committee of the DIA has recommended that the Unallocated Plan Authorized Expenditures be transferred to the projects and programs as described on Exhibit A attached hereto.

NOW THEREFORE, BE IT RESOLVED by the Downtown Investment Authority:

Section 1. The South Side TID FY 2020-21 Budget is amended to transfer the funds currently identified as Unallocated Plan Authorized Expenditures to the projects and programs identified on Exhibit A attached hereto.

Section 2. Pursuant to Sec. 106.344, Ordinance Code, the staff of DIA is hereby directed to prepare and file a CRA Budget Transfer Form effectuating the aforementioned budget amendments.

Section 3. This Resolution shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Ron Moody, Chairman

Date

VOTE: In Favor: ____ Opposed: ____ Abstained: ____

EXHIBIT A to RESOLUTION 2021-04-01

Amending the FY 20-21 SS TID adopted budget:

Transfer from:	Unallocated Plan Authorized Expenditures	\$ 513,471
Transfer to:	Southbank Parking (and relocation of UST)	\$ <u>413,471</u>
Balance remaining in unallocated:		\$ 100,000

TAB III.C

**RESOLUTION 2021-04-02 COMBINED NORTHSIDE EAST AND NORTHSIDE WEST
TID FY 20-21 BUDGET AMENDMENT**

RESOLUTION 2021-04-02

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY
ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY BOARD
OF THE COMBINED NORTHSIDE EAST AND NORTHWEST CRA'S
ADOPTING A FY 2020-21 AMENDED TAX INCREMENT DISTRICT
("TID") BUDGET FOR THE COMBINED NORTHSIDE EAST AND
NORTHWEST CRA'S PURSUANT TO SEC. 163.387, F.S. AND SEC.
106.341, ORDINANCE CODE; PROVIDING AN EFFECTIVE DATE.**

WHEREAS, in accordance with Sec. 106.340-106.346, Ordinance Code, the Board has been given authority to allocate and transfer funds within the CRA budget in accordance with the provisions of those sections, without further Council approval; and

WHEREAS, the Adopted FY 20-21 Budget approved by City Council included \$497,732 in Unallocated Plan Authorized Expenditures which pursuant to the Ordinance Code sections referenced above, the DIA Board has authority to allocate to specific projects and programs within the CRA Plan ; and

WHEREAS, the Finance and Budget Committee of the DIA has recommended that the Unallocated Plan Authorized Expenditures be transferred to the projects and programs as described on Exhibit A attached hereto;

NOW THEREFORE, BE IT RESOLVED by the Downtown Investment Authority:

Section 1. The Combined Northside East and Northwest TID FY 2020-2021 Budget is amended to transfer the funds currently identified as Unallocated Plan Authorized Expenditures to the projects and programs identified on Exhibit A attached hereto.

Section 2. Pursuant to Sec. 106.344, Ordinance Code, the staff of DIA is hereby directed to prepare and file a CRA Budget Transfer Form effectuating the aforementioned budget amendments.

Section 3. This Resolution shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Ron Moody, Chairman

Date

VOTE: In Favor: ____ Opposed: ____ Abstained: ____

EXHIBIT A to RESOLUTION 2021-04-02
NB TID Budget

Amending the FY 20/21 adopted budget:

Transfer from:	Unallocated Plan Authorized Expenditures	\$497,732
Transfer to:	NB Downtown Parks and Programming	\$497,732

TAB III.D

RESOLUTION 2021-04-03 RELATED REDEVELOPMENT, LLC RDA AMENDMENT

RESOLUTION 2021-04-03

A RESOLUTION AMENDING THE TERMS OF RESOLUTION 2021-01-03 WITH RESPECT TO A DISPOSITION AND REDEVELOPEMENT AGREEMENT BETWEEN THE CITY, THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AND RELATED DEVELOPMENT, LLC (“DEVELOPER”); AUTHORIZING THE CEO OF THE DIA TO TAKE ALL ACTION NECESSARY TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION, INCLUDING THE EXECUTION OF A REDEVELOPMENT AGREEMENT, PURCHASE AND SALE AGREEMENT, OR FUNCTIONAL EQUIVALENTS; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, via Ordinance 2012-0364-E, the City Council created the Downtown Investment Authority, designating the DIA as the City’s Community Redevelopment Agency for the Southside Community Redevelopment Area and authorizing it to approve and negotiate economic development agreements and dispose of City-Owned property; and

WHEREAS, Pursuant to Resolution 2021-01-03, the DIA authorized the negotiation of a Redevelopment Agreement with developer upon the terms and conditions contained in the term sheet attached and the filing of legislation; and

WHEREAS, in the course of negotiation of the Redevelopment Agreement and associated documents, several issues arose that are a sufficient departure from the term sheet to require further Board approval; and

WHEREAS, the Developer has requested an increase in the maximum indebtedness payable on the REV grant due to an increase in construction costs related to design modifications and market conditions; and

WHEREAS, the Developer has determined that at this time it will not reconstruct the second marina dock; and

WHEREAS, upon staff review and recommendation that the amendments are warranted, this resolution was presented to the Strategic implementation Committee (“SIC”) on April 16, 2021; and

WHEREAS, SIC has recommended approval of this Resolution.

NOW THEREFORE BE IT RESOLVED, by the Downtown Investment Authority:

Section 1. The recitals set forth above are true and correct and are hereby incorporated herein by this reference.

Section 2. The DIA Board hereby approves an amendment to Resolution 2021-01-03 that increases the maximum indebtedness payable on the REV grant to \$12,996,885. The

applicable percentage and term of the REV grant remain unchanged. The minimum capital contribution will be increased to \$85,000,000 (including acquisition), with a minimum of hard and soft construction costs totaling \$75,000,000, below which the REV shall be forfeited.

Section 3. The DIA Board hereby approves an amendment to Resolution 2021-01-03 to reflect that only one dock will be reconstructed at this time pursuant to the RDA. The City contribution for that dock and the obligation for fuel service and transient slips remains unchanged.

Section 4. The DIA Board hereby authorizes the CEO of the Downtown Investment Authority to negotiate the terms of a Redevelopment Agreement, Purchase and Sale Agreement, or functional equivalents, with Developer for the redevelopment of the Property, subject to the minimum terms and conditions contained in Exhibit 'B' to Resolution 2021-01-03 as amended hereby.

Section 5. The DIA Board hereby authorizes the CEO of the Downtown Investment Authority to initiate legislation for approval by City Council of a Redevelopment Agreement, Purchase and Sale Agreements, or functional equivalents in accordance with the purposes of this Resolution.

Section 6. 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, Purchase and Sale Agreement, or functional equivalents, providing that such actions incorporate, at a minimum, the terms and conditions contained in Exhibit 'B' to Resolution 2021-01-03 as amended hereby.

Section 7. This Resolution, 2021-04-03, shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Ron Moody, Chairman

Date

VOTE: In Favor: ___ Opposed: ___ Abstained: ___

**SUPPLEMENTAL INFORMATION
RELATED REDEVELOPMENT, LLC RDA AMENDMENT
STAFF REPORT**

**Downtown Investment Authority
Redevelopment Staff Report - Modification
Related Group
April 16, 2021**

Applicant: RD River City Brewery, LLC (The Related Group)
Project: Disposition and Redevelopment of the River City Brewing Company Site
Program Request: Recapture Enhanced Value ("REV") Grant

	<u>As Approved</u>	<u>As Proposed</u>
Total Development Costs (as presented):	\$92,320,000	\$99,156,000
Total Development Costs (as underwritten):	\$76,015,000	\$82,499,841
REV Structure:	75% / 20 Years	75% / 20 Years
REV Amount Proposed (not to exceed):	\$11,902,028	\$12,996,885

Modification Request:

Resolution 2021-01-03, for the benefit of The Related Group, was approved by the DIA Board at its meeting held January 20, 2021. The approval authorized a REV Grant in the maximum amount of \$11,902,028, structured as 75% for 20 years, for the development of a 335-unit, multi-family property with multiple amenities and mixed-use components including a restaurant and a ship's store to serve the boat ramp and marina. There were a number of other land swaps and concessions agreed to by the passing of Resolution 2021-01-03 that are not impacted by the subject request for modification.

This modification is presented for an increase in the maximum REV Grant amount to \$12,996,885 as a result of increased costs to the project driven by design changes and increased construction costs found in the market. Amenities to the property have increased to include two roof top lounges for residents to improve design elements as discussed further below. The unit count proposed has dropped from 335 to 327, still above the minimum requirement of 325 established in the previous approval.

The applicant has provided documentation from its prospective general contractor, Balfour Beatty, and project architect, MSA Architects, that indicates that design changes coupled with substantive cost increases for materials have driven total development costs from \$92.3 million to more than \$99.1 million. As communicated in the letter from MSA Architects, principal design changes that followed feedback shared in a DDRB workshop led to the following:

1. *Created additional movements in the building by creating an additional courtyard on the park side of the project. This increased the building skin and reduced the efficiency of the building.*
2. *Stepping the building at the 8th level creating rooftop amenity lounges.*
3. *Increase glass area provided to compliment the contemporary aesthetics the brand requested.*
4. *Garage elevation enhancements.*
5. *Ground level enhancement for building entrances, residential stoops, and amenities to provide additional pedestrian integration between the proposed building and the pedestrian activity associated with the park and Riverwalk.*
6. *Created a variety of architectural elements to accent all building elevations.*

The results of these modifications were welcomed by the DDRB Board during its conceptual approval of the project at its March 24, 2021 meeting and are seen nearly universally as offering better interaction with St. John’s River Park, the river, and other perspectives. The result of these design changes can be found on “Exhibit A – As Originally Proposed” and “Exhibit B - As Currently Proposed.” The project is scheduled to be presented for final approval at the May meeting of the DDRB Board.

Marina:

The original approval outlines that following Related’s buyout of the Maritime lease and transfer of property interest from the City, the City will enter into a new submerged land lease and take ownership of the existing docks and fuel pumps that comprise the marina. Related is exercising its option to not repair one of the docks. The City remains committed to providing \$1,143,807 for the reconstruction of the remaining dock, which will continue to provide fuel services and an estimated 29 marine slips to be managed by the Developer under a separate operating agreement. As called for in Resolution 2021-01-03, twenty of those slips will be made available for public transient use, with ten limited to four-hour use and ten made available for 48-hour use. The nine remaining slips will be used at the discretion of marina management, and the option to rebuild additional dockage will remain open. This is not a deviation from terms of the original approval but is provided as an update on the status of this part of the project. Future additions to the marina can only be made with approval by the DIA Board.

Development Budget:

As shown in the tables below, the total development costs have been revised to an estimated total of \$99.2 million, representing an increase of \$6.8 million. The 7.4% increase is centered in Hard Costs, \$7.0 million above the original amount, offset somewhat by decreased acquisition costs, down \$238 thousand, and Interest and Finance Costs, down \$411 thousand. Sources of additional capital are split between a \$3.0 million increase in the Construction Loan and a \$3.8 million increase in Equity.

Original Model

	Sources	Percentage of TDC	317,000 Rentable SF
Anticipated Sources			
Construction Loan	\$57,700,000	62.5%	
Equity	\$34,620,000	37.5%	335 Units
Total Anticipated Sources	\$92,320,000	100.0%	

	Total Development Cost	Total Development Cost Per Unit	Total Development Cost Per Square Foot
Anticipated Uses			
Acquisition - Land	\$10,000,000	\$29,850.75	\$31.55
Hard Cost	\$66,500,000	\$198,507.46	\$209.78
Architect / Engineering / Consultants	\$2,600,000	\$7,761.19	\$8.20
Soft Costs	\$2,665,000	\$7,955.22	\$8.41
Financing Costs	\$4,755,000	\$14,194.03	\$15.00
Interest Expense	\$2,550,000	\$7,611.94	\$8.04
Project Management	\$3,250,000	\$9,701.49	\$10.25
Total Anticipated Uses	\$92,320,000	\$275,582.09	\$291.23

As Modified

	Sources	Percentage of TDC	315,000 Rentable SF
Anticipated Sources			
Construction Loan	\$60,722,500	61.2%	
Equity	\$38,433,500	38.8%	327 Units
Total Anticipated Sources	\$99,156,000	100.0%	

	Total Development Cost	Total Development Cost Per Unit	Total Development Cost Per Square Foot
Anticipated Uses			
Acquisition - Land	\$9,762,000	\$29,853.21	\$30.99
Hard Cost	\$73,549,841	\$224,923.06	\$233.49
Architect / Engineering / Consultants	\$2,750,000	\$8,409.79	\$8.73
Soft Costs	\$2,950,000	\$9,021.41	\$9.37
Financing Costs	\$4,705,000	\$14,388.38	\$14.94
Interest Expense	\$2,189,159	\$6,694.68	\$6.95
Project Management	\$3,250,000	\$9,938.84	\$10.32
Total Anticipated Uses	\$99,156,000	\$303,229.36	\$314.78

As a result of these changes, along with a drop in unit count from 335 to 327, the average cost per unit is shown to rise from \$275,582 to \$303,229. The change in number of units remains above the earlier agreed upon minimum of 325 units, for which the minimum has been left unchanged.

Valuations and ROI Calculation

- With these changes, the Duval County portion of the incremental ad valorem tax revenue over twenty years is projected to increase from \$15.9 million to \$17.4 million net of the 4% annual early payment discount. This represents an increase of 9.4% by these changes.

- Total benefits to the City of Jacksonville are estimated to increase from \$17.5 million to \$19.1 million, and increase of 9.1%.
- With the increase in the REV Grant as proposed, from \$11.9 million to \$13.0 million, along with other costs related to forgone lease revenue, land swaps, infrastructure and restaurant grants, moving the underground storage tanks, and refurbishing the dock, City incentives total \$18.3 million.

ROI:

As shown by the analysis captured below, the ROI for the development drops slightly from 1.05X to 1.04X maintaining the assumptions and methodology found in previous calculations.

\$85 Million in Capital Expenditures (04/05/21)

Ad Valorem Taxes Generated
Incremental County Operating Millage

Local Option Sales Tax

Payroll

Add'l Benefits Provided (Parcels B/D, Riverwalk improvements)

Total City Expected Benefits

Total City Investment

Return on Investment Ratio

(1)	\$	17,373,934	
(2)	\$	-	
(3)	\$	-	
(4)	\$	1,683,978	\$ 19,057,911
(5)			\$ 18,274,679
			\$ 783,232
			1.04

- (1) - The investment from the Company is estimated to be \$75,015,000 in eligible Capital Contribution for development and \$0 in taxable Tangible Personal Property
- (2) - Local Option Sales Tax is based on the revenue generated through retail sales, food and beverage, and commercial leases.
- (3) - Job estimates are calculated at # of jobs * avg. wage. Assumes 20% spent locally and a 1 percent sales tax over 20 years.
- (4) - Value of any additional contribution being made for the benefit of the city in consideration of the incentive
- (5) - City Incentives as follows:

REV	\$	12,996,858
Land (Parcel E), lost lease revenue, boat ramp improvements, completion grant	\$	5,277,821
Total Direct Incentives	\$	18,274,679

NOTE:

COJ to receive Parcel B from REL (Modified by the release of property to the restaurant site)

COJ to receive Parcel I from REL (as revised from Parcel G for clarification)

COJ to receive a portion of Parcel D from REL (Modified by add'l property granted to the south)

REL to receive a portion of Parcel E from COJ (Estimated)

REL to receive a Parcel for a sign placement

COJ lost RCBC lease revenue (\$40k @ X% for 77 yrs) 6.0%

COJ restaurant completion grant

COJ infrastructure completion grant

REL to pay for improved Riverwalk

COJ to improve boat ramp hammerhead, relocation of fuel tank

COJ lost Residual Value Parcel C

FV of \$9.75M Parcel C purchase compounded @ Y% for 77 yrs 2.5% \$65,274,304

NPV of FV of Parcel C discounted @ Z% for 77 yrs 6.0%

Marina

Square Feet (SF)	\$/SF	TOTAL to REL	TOTAL to COJ	Acres:
10,148	\$75.00		\$ 761,070	0.233
4,389	\$75.00		\$ 329,175	0.101
4,583	\$75.00		\$ 343,733	0.105
2,830	\$30.00	\$ 84,900		
158	\$30.00	\$ 4,734		
		\$ 659,000		
		\$ 500,000		
		\$ 500,000		
			\$ 250,000	
		\$ 1,650,380		
		\$ 735,000		
		\$ 1,143,807		
		\$ 5,277,821	\$ 1,683,978	

TOTAL

Within this table, there are no changes from the previous approval to the values found under the Note.

Exhibit A - As Originally Proposed:



**1 NORTH ELEVATION
ALONG ST. JOHNS RIVER WATERFRONT**
SCALE: 1/16" = 1'-0"



**2 EAST ELEVATION:
ALONG ENTRANCE DRIVE**
SCALE: 1/16" = 1'-0"



**3 SOUTH ELEVATION:
ALONG MUSEUM CIR.**



**4 WEST ELEVATION:
ALONG ACOSTA WATERFRONT**
SCALE: 1/16" = 1'-0"

Exhibit A - As Originally Proposed (Cont.):

LEGEND

- 1 Feature palms
- 2 Landscape median w/ specimen palms
- 3 Entry court
- 4 Valet drop-off
- 5 Riverwalk waterfront promenade
- 6 Overlook w/ shade sail canopies
- 7 Active pool terrace
- 8 Fire pit
- 9 Tables and umbrellas
- 10 Summer kitchen
- 11 Pool amenity area
- 12 Florida friendly riverwalk landscape
- 13 Passive courtyard
- 14 4' aluminum picket fence
- 15 Loading zone
- 16 Reconfigured boat ramp access
- 17 Streetscape (Riverplace Blvd. Design Palette)
- 18 Project Signage
- 19 Seatwall



Exhibit B - As Currently Proposed:



Exhibit B - As Currently Proposed (Cont.):

- 1 Feature palms
- 2 Landscape median w/ specimen palms
- 3 Entry court
- 4 Valet drop-off
- 5 Riverwalk waterfront promenade with seating
- 6 Overlook w/ shade sail canopies
- 7 Active pool terrace
- 8 Fire pit
- 9 Tables and umbrellas
- 10 Summer kitchen
- 11 Pool amenity deck
- 12 Florida-Friendly Riverwalk landscape
- 13 4' aluminum picket fence
- 14 Reconfigured boat ramp access
- 15 Streetscape (Riverplace Blvd. Design Palette)
- 16 Project Signage
- 17 Riverwalk connection
- 18 Boat ramp
- 19 Lobby
- 20 Friendship Fountain



TAB III.E
RESOLUTION 2021-04-04 REGIONS BANK EDA AMENDMENT

RESOLUTION 2021-04-04

A RESOLUTION AMENDING THE TERMS OF RESOLUTION 2021-01-05 WITH RESPECT TO AN ECONOMIC DEVELOPEMENT AGREEMENT BETWEEN THE CITY, THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AND REGIONS BANK, AN ALABAMA STATE BANKING CORPORATION (“REGIONS”); AUTHORIZING THE CEO OF THE DIA TO TAKE ALL ACTION NECESSARY TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION, INCLUDING THE EXECUTION OF AN ECONOMIC DEVELOPMENT AGREEMENT, OR FUNCTIONAL EQUIVALENT; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, via Ordinance 2012-0364-E, the City Council created the Downtown Investment Authority, designating the DIA as the City’s Community Redevelopment Agency for the Southside Community Redevelopment Area and authorizing it to approve and negotiate economic development agreements and dispose of City-Owned property; and

WHEREAS, Pursuant to Resolution 2021-01-05, the DIA authorized the negotiation of an Economic Development Agreement with Regions upon the terms and conditions contained in the term sheet attached and the filing of legislation; and

WHEREAS, in the course of negotiation of the Economic Development Agreement and associated documents, several issues arose that are departures from the term sheet although there is no increase in the City’s financial obligation; and

WHEREAS, in order to confirm and ratify the negotiated terms, as contained in the legislation currently filed before City Council, DIA staff are requesting confirmation from the Board of the changes from the term sheet approved in Resolution 2021-01-05; and

WHEREAS, Regions requested that their matching contribution to the transition expense be allowed to include HVAC replacement; and

WHEREAS, Regions requested that a pro rata reduction in the grant be allowed in the event the total expenditure is less than \$400,000; and

WHEREAS, Regions requested an extension of the time within which the economic development grant for transition expenses could be drawn and staff agreed to a term of 2 years from the Effective Date of the EDA; and

WHEREAS, the closing date with VyStar has been extended to May 2021 and may be further extended as permitted in the EDA

WHEREAS, SIC has recommended approval of this Resolution.

NOW THEREFORE BE IT RESOLVED, by the Downtown Investment Authority:

Section 1. The recitals set forth above are true and correct and are hereby incorporated herein by this reference.

Section 2. The DIA Board hereby confirms that the expenses incurred by Regions for capital HVAC repairs may be included in their matching expenditure required for the transition expense grant authorized in Resolution 2021-01-05. There is no change in the City grant amount nor to the requirement that the grant is a 50/50 match to verified expenditures by Regions.

Section 3. The DIA Board hereby confirms that in the event the total eligible expenditures for the economic development grant are less than \$400,000, the grant amount may be reduced pro rata so long as only Transition Expenses are reimbursed.

Section 4. The DIA Board hereby confirms that the economic development grant must be drawn within two (2) years of the Effective Date of the EDA. This change does not impact the performance schedule and applicable deadlines for the DPRP portions of the Agreement.

Section 5. The DIA Board hereby confirms that the closing date for the sale of the surface lot to VyStar has been extended to May 2021 and may be further extended within the Performance Schedules contained in the development agreements provided for each project.

Section 6. The DIA Board hereby authorizes the CEO of the Downtown Investment Authority to negotiate the terms of an Economic Development Agreement, or functional equivalent, with Developer for the redevelopment of the Property, subject to the minimum terms and conditions contained in Exhibit 'B' to Resolution 2021-01-03 as amended hereby.

Section 7. The DIA Board hereby authorizes the CEO of the Downtown Investment Authority to initiate legislation for approval by City Council of an Economic Development Agreement, or functional equivalent in accordance with the purposes of this Resolution.

Section 8. 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 an Economic Development Agreement, or functional equivalent, providing that such actions incorporate, at a minimum, the terms and conditions contained in Exhibit 'B' to Resolution 2021-01-03 as amended hereby.

Section 9. This Resolution, 2021-04-03, shall become effective on the date it is signed by the Chair of the DIA Board.

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WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Ron Moody, Chairman

Date

VOTE: In Favor: ___ Opposed: ___ Abstained: ___

DRAFT

**SUPPLEMENTAL INFORMATION
REGIONS BANK EDA AMENDMENT
STAFF REPORT**

Regions Bank Headquarters
Downtown Preservation and Rehabilitation Program and Economic Development Grant
Ratification of Changes - Staff Report
April 8, 2021

Applicant: Regions Bank or a related real estate holding company
Project: Regions Jacksonville Headquarters Redevelopment

Program Request: Downtown Preservation and Rehabilitation Program (“DPRP”)
Economic Development Grant (“EDG”)

Total Development Costs:	Estimated at \$2,633,000
DPRP Request:	\$900,000
EDG Request:	\$200,000

Modification Ratification:

Resolution 2021-01-05 for the benefit of Regions Bank was approved by the DIA Board at its meeting held January 20, 2021. The approval provided a commitment for up to \$900,000 funding under the Downtown Preservation and Rehabilitation Program (“DPRP”) and up to \$200,000 funding as an Economic Development Grant “EDG.”

In negotiation of the Redevelopment Agreement with the applicant, the following terms were approved and are presented here for ratification by the DIA Board prior to presentation to City Council for final approval.

1. The definition of eligible expenditures and costs incurred by Regions for funding under the Economic Development Grant was expanded to include up to \$200,000 of costs for replacement of the HVAC system at the subject property, with such costs incurred within the two-year period following the effective date of the Redevelopment Agreement.

This change does not preclude the requirement that 100% of the City funding through the DIA will be for reimbursement of transition costs related to the sale of the parcel owned by Regions for the benefit of the development of the adjacent VyStar garage. To achieve full utilization of this Economic Development Grant, Regions is required to expend a minimum of \$200,000 for signage relocation costs following sale of the property to VyStar, soft costs associated with the sale of the surface lot, construction of backdoor access to the garage, and temporary parking needs for employees and customers.

2. The term sheet as approved required a minimum expenditure of \$400,000. Modification is made such that reimbursement of lesser amounts may be made, so long as 100% of the City funding is made for expenses incurred related to the sale of the surface lot as outlined above.
3. Usage of the Economic Development grant was originally limited to the end of Fiscal year 2021/2022 and has been modified to within two years of the Effective Date of the Redevelopment Agreement. Funding requests remain limited to two requests during that period.
4. The closing date for the sale of the surface lot to VyStar is similarly extended to May 2021 and may be further extended by the DIA CEO as provided within the performance schedules of each project.

TAB IV.A

**MARCH 17, 2021 DOWNTOWN INVESTMENT AUTHORITY
BOARD MEETING MINUTES**



Downtown Investment Authority
Hybrid Meeting
Wednesday, March 17, 2021 – 4:32 p.m.

Downtown Investment Authority
MEETING MINUTES

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

DIA Board Members Excused: Braxton Gillam, Esq.

Mayor’s Staff: None

Council Members: Council Member LeAnna Cumber, District 5

DIA Staff: Lori Boyer, Chief Executive Officer; Steve Kelley, Director of Development; John Crescimbeni, Contract and Regulatory Compliance Manager; Guy Parola, Operations Manager; Lori Radcliffe-Meyers, Redevelopment Coordinator; and Xzavier Chisholm, Administrative Assistant.

Office of General Counsel: John Sawyer, Esq.

CALL TO ORDER: Chairman Moody called to order the Downtown Investment Authority Board Meeting at 4:32 p.m.

IV. DOWNTOWN INVESTMENT AUTHORITY MEETING

A. NOVEMBER 18, 2020 DOWNTOWN INVESTMENT AUTHORITY BOARD MEETING APPROVAL OF THE MINUTES.

Seeing no comments, Chairman Moody called for a motion.

Motion: Board Member Worsham moved to approve the minutes as presented

Seconded: Board Member Gibbs seconded the motion

Seeing no comments, Chairman Moody calls for a vote.

Vote: Aye: 8 Nay: 0 Abstain: 1

THE MOTION PASSED UNANIMOUSLY 8-0-1

B. RESOLUTION FEBRUARY 17, 2021 DOWNTOWN INVESTMENT AUTHORITY BOARD MEETING APPROVAL OF THE MINUTES

No comments were made.

Motion: Board Member Worsham moved to approve the minutes as presented
Seconded: Board Member Gibbs seconded the motion

No comments were made.

Vote: Aye: 8 Nay: 0 Abstain: 1

THE MOTION PASSED UNANIMOUSLY 8-0-1

C. RESOLUTION 2021-03-05 METER RENTAL (BAGGING) RATE SCHEDULE

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) RECOMMENDING THE ADOPTION AND IMPLEMENTATION OF A REVISED METER RENTAL RATE SCHEDULE; INSTRUCTING ITS CHIEF EXECUTIVE OFFICER (“CEO”) AND THE CITY’S PUBLIC PARKING OFFICER TO FORWARD LEGISLATION TO CITY COUNCIL TO ADOPT A REVISED METER RENTAL (BAGGING) RATE SCHEDULE; PROVIDING FOR AN EFFECTIVE DATE.

Chairman Moody gives the floor to Mr. Crescimbeni to provide an overview of the Resolution.

Mr. Crescimbeni stated that the Resolution authorizes the DIA to pursue legislation with City Council to recommend changes to the meter bagging rates. After consulting with TimHaahs & Associates, the recommended changes would increase the cost of bagging a meter and provide reimbursement for labor and storage costs with the goal of allowing people to bag meters as needed but also discourage meter bagging unless it is necessary. It would also help recover lost revenue when a meter is taken out of service.

CEO Boyer added that meter rates have to be established by City Council and that this Resolution is a recommendation.

SIC Chairman Ward stated that the the recommendations were directly from TimHaahs and that the committee was in favor.

Council Member Cumber asked what the current rates bring in and what the proposed rates would bring in on annual basis. Mr. Crescimbeni stated that he would follow up with Council Member Cumber with that data at a later date.

Council Member Cumber asked why parking meters are still being used instead of something more modern. CEO Boyer responded that the issue was discussed in length at a SIC meeting about a year ago, and that they determined the capital investment in them didn’t warrant replacing them yet, as they had just been updated fairly recently. The plan is to convert them into kiosks and there is a pilot

program that includes an RFP to investigate implementing the kiosk on Riverplace Blvd and a couple of other areas. As the meters become obsolete and fail, they will be replaced. There is also an app in development.

Chairman Moody called for a vote on Resolution 2021-03-05 as presented.

Vote: Aye: 8 Nay: 0 Abstain: 1

THE MOTION PASSED UNANIMOUSLY 8-0-1

V. NEW BUSINESS

A. BID/CRA Task 1, Design Guidelines: Update by Consultant

CEO Boyer stated that there is a consultant team working on the five year update of the Business Investment and Development Plan, which includes the CRA plans and BID Strategy as well as updates to the downtown design guidelines. CEO Boyer introduced Tara Salmieri, of PlanActive Studio, to present Task One.

Ms. Salmieri stated that the intent is not to make any changes to the land development code, it is to honor the land development code for now. The following overview was provided:

- An online survey of 19 questions was created and key stakeholders were identified. Responses have been received.
- The stakeholders are a combined effort of real estate, development, funders that have built in downtown, and technical engineering and architectural firms that have had to use and apply the the land development code.
- Their goal was to discover if there are any issues with development; how the land development code is applied and how that translates into the built environment.
- They have reached out to the DDRB members to gain insight.
- There is now a better understanding of high level issues and they are moving forward, creating the design guidebook, and have submitted a couple small illustrations to be a part of a larger guidebook that will include six chapters, with the intention of being more developer friendly as well as being consistent with the land development code.

The above concluded Ms. Salmieri's presentation.

Technical issues

Questions from the Board will be sent to Ms. Salmieri via email and further discussion will be placed on next meeting's agenda.

VI. CEO INFORMATION BRIEFING

CEO Boyer provided the following updates:

- There were 14 quality responses to the Landing design competition. They were scored last week and the scores were turned into Procurement. Next the PSEC will award the top 3 responses and advance to the next phase of the design competition. A competition brief will be provided to the 3 firms receiving the award on March 26th. Board Member Worsham will be a part of the stakeholder group.

CEO Boyer concluded her briefing.

VII. PRESENTATION (Diane Moser, COJ Director of Employee Services)

Ms. Moser gave a presentation on the services that Employee Services provide. The following comments were made:

- At the recommendation of the Inspector General, Ms. Moser is explaining the available employee services to all Boards and Commissions that fall under the authority of the Mayor.
- To highlight the DIA Board, if someone is in a difficult situation they would report the issue to the Board Chair who would then bring the issue to the Chief Administrative Officer. The CAO or their staff would be able to assist you.
- Ms. Moser described the 3 divisions within her department (Talent management, Employee and Labor Relations, and Compensation and Benefits).
- The DIA is assigned to Rhonda Sarli, HR Business Partner.

VIII. CHAIRMAN REPORT

No report from Chairman Moody.

Chairman Moody listed the many projects going on and thanked DIA Board and Staff members.

IX. ADJOURN

ADJOURNMENT: There being no further business, Chairman Moody adjourned the meeting at 4:57 p.m.

The written minutes for this meeting are only an overview of what was discussed. For verbatim comments of this meeting, a recording is available upon request. Please contact Xzavier Chisholm at xchisholm@coj.net to acquire a recording of the meeting.

TAB IV.B

RESOLUTION 2021-04-05 DOWNTOWN VISION, INC. FY 21-22 BUDGET

RESOLUTION 2021-04-05

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY RECOMMENDING THAT THE JACKSONVILLE CITY COUNCIL APPROVE THE CITY'S FINANCIAL CONTRIBUTION TO DOWNTOWN VISION, INC. ("DVI") AS IDENTIFIED IN DVI'S 2021-2022 BUDGET; RECOMMENDING THAT THE JACKSONVILLE CITY COUNCIL APPROVE DVI'S 2021-2022 ANNUAL BUDGET INCLUDED IN EXHIBIT 'A'; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, DVI provides public services within the Downtown Business Improvement District ("BID") in accordance with the Enhanced Municipal Services Agreement ("Agreement"), including, but not limited to, cleaning, marketing, event planning, and the Ambassador Program; and

WHEREAS, the City Council, pursuant to Ordinance 1999-1175-E, created the Downtown BID; authorized the imposition of Special Assessments within the BID; and made certain findings of fact as to the benefit to be derived from property owners within the BID; and authorized execution of the Agreement; and

WHEREAS, the City Council reauthorized the Enhanced Municipal Services Agreement between Downtown Vision, Inc. and the City through Ordinance 2005-785-E, Ordinance 2012-422-E and Ordinance 2019-97-E; and

WHEREAS, the Downtown Investment Authority ("DIA") has been designated as the Community Redevelopment Agency for community redevelopment areas within the boundaries of Downtown pursuant to Ordinance 2012-364-E, and further granted authorities via Ordinance 2014-0560-E; and

WHEREAS, the DIA finds that DVI provides valuable, enhanced public services to property owners within the BID that could not effectively be provided without financial support from the City; and

WHEREAS, DVI has submitted the five page Exhibit A for consideration by DIA, inclusive of pages 2, 3 and 4 which represent the DVI budget for FY 20/21,

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 recommends that the City of Jacksonville continue its financial contribution equal to 1.1 mils of the assessed value of City property within DVI's Business Improvement District.

Section 3. The DIA recommends that the City Council approve DVI's Fiscal Year 2021-2022 Budget included in Exhibit 'A' as pages 2, 3 and 4 thereof.

Section 4. This Resolution, 2021-04-05, Shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Ron Moody, Chairman

Date

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



*Downtown
Vision,
Incorporated*

EXHIBIT A

March 24, 2021

Lori Boyer, CEO
Downtown Investment Authority
117 W. Duval Street, #310
Jacksonville, FL 32202

Re: Downtown Vision Inc. budget for Fiscal Year 2021-2022

Dear Ms Boyer,

On behalf of the Board of Directors of Downtown Vision Inc. (DVI), please accept the following budget documents for Downtown Vision for the fiscal year 2021 – 2022:

- (1) Budget Office Form Schedule AD AE,
- (2) FY21/22 Budget for DVI,
- (3) Budget Comparison for FY20/21 and FY21/22 and,
- (4) Historic contributions by City of Jacksonville to DVI

These budget documents were approved at our recent meeting of our board of directors on Wednesday March 24, 2021. These documents anticipate a budget reflective of the expanded district as approved by the DIA Board of Directors on March 17, 2021. For these budget documents, we now seek approval from the DIA board of directors, and if approved, to be submitted to the Mayor's Office.

As you know, commercial property owners in our Downtown business improvement district pay a 1.1 mils assessment on the taxable value of their property to DVI. These funds are used to complete our mission of helping make Downtown a better place to live, work, visit and invest.

We are thrilled that since 2017, the City of Jacksonville has contributed the full amount of their formula assessment on its properties in the district. We believe it's a very wise investment since our district leverages more than \$2.50 in private funds for every \$1.00 contributed by the City. The support of DVI will be directly beneficial to the DIA in reaching its redevelopment goals for Downtown Jacksonville laid out in your CRA and BID Plans. We hope the DIA and the City warmly receives this year's request to continue to match the same formula calculation paid by private property owners.

Thank you for all your hard work for our City. We look forward to our continued partnership to help make Downtown Jacksonville better.

Sincerely,

Jacob A. Gordon Esq., CEO, DVI

214 N. Hogan Street Suite 120, Jacksonville, FL 32202
| 904.634.0303 | Fax 904.634.8988

Chair
Numa Saisselin
Florida Theatre

Vice Chair
Traci Jenks
Cushman & Wakefield

Treasurer
Oliver Barakat
CBRE

Secretary
Kerri Stewart
JEA

Board Members

Zach Ashourian
Ash Properties

Stephen Crosby
CSX (retired)

Teresa Durand-Stuebben
Foresight Construction Group

Jan Hanak
Regency Centers

Kerri Stewart
Miller Electric

Paul Grainger
Iconic Real Estate

Allan Iosue
Haskell

Bill Prescott
Heritage Capital Group

Elias Hionides
Petra Jax

Alex Sifakis
JWB Real Estate Capital

Caryn Carreiro
Cushman & Wakefield

Vince McCormack
Perdue Office Interiors

John Ream
The Connect Agency

Ryan McIntyre
VyStar Credit Union

Paul Davison
BDO

David Kottmyer
Danis Construction

Lori Boyer
Downtown Investment Authority

Councilmember Joyce Morgan
Jacksonville City Council

Nathaniel P. Ford
Jacksonville Transportation Authority

Soo Gilvarry
Lotus Commercial USA LLC

Cyndy Trimmer
Driver McAfee Hawthorne Diebenow

Asst. Chief Adam Pendley
Jacksonville Sheriff's Office

Aundra Wallace
JaxUSA Partnership

**BUSINESS IMPROVEMENT DISTRICT
(DOWNTOWN VISION)
JACKSONVILLE, FLORIDA
BUDGET – FISCAL YEAR 2021-2022**

ESTIMATED REVENUES

Assessed Properties (1)
City of Jacksonville (2)
Other Sources (3)
Total Estimated Revenues

DVI PROPOSED

\$ 1,688,943
\$ 661,898
\$ 183,336
\$2,514,177

Schedule AD

APPROPRIATIONS

	Clean, Safe and Attractive (4)	Marketing, Promotions, Special Projects (5)	Business & Stakeholder Support (6)	Management & General (7)	Total
Personnel Services	\$121,972	\$296,211	\$263,427	\$77,195	\$758,805
Operating Expenses	\$1,395,371	\$295,529	\$32,836	\$31,636	\$1,755,372
Total Appropriations	<u>\$1,517,343</u>	<u>\$591,740</u>	<u>\$296,263</u>	<u>\$108,831</u>	<u>\$2,514,177</u>

- (1) Commercial and residential property owners in DVI's Downtown district pay 1.1 mils of their property's assessed value to DVI, subject to residential property exemptions
- (2) This reflects a contribution from the City of Jacksonville equal to 1.1 mils of the value of the City's owned property in the Downtown district
- (3) This represents all other income for Downtown Vision Inc., including fee-for-service contracts, voluntary contributions from exempt organizations, grants, sponsorships and revenues generated from special events.
- (4) These contracted services include a team of Clean & Safe Ambassadors, a supervising project manager, uniforms, supplies and equipment. This line item includes 50% of the Director of District Services salary plus 25% of administrative budget.
- (5) Includes salaries for Vice President of Marketing, Communications Manager, Events Manager and includes 25% of the admin budget.
- (6) Includes salary for Director of Experience, Stakeholder Support Manager, Public Realm Manager, 50% of Vice President of District Services, and 25% of admin budget.
- (7) This represents 25% of the admin budget. The admin budget includes the CEO, Business Administrator and Administrative Assistant positions.

Schedule AE

**Downtown Vision
FY 2021 vs. FY 21/22**

	Adopted FY20/21	Proposed FY21/22	Increase (Decrease)	Notes
REVENUES				
City of Jacksonville	\$ 510,615	\$ 493,438	(\$17,177)	City contribution to Downtown Vision based on same 1.1 mils formula as private properties
City of Jacksonville (expanded)	\$ -	\$ 168,460	\$168,460	Increase from geographic expansion of downtown district
Private Commercial Properties	\$ 963,680	\$ 978,875	\$15,195	Increase in assessed value of properties in the existing downtown district
Private Commercial Properties (expanded)	\$ -	\$ 402,734	\$402,734	Increase from geographic expansion of downtown district
Private Residential Properties (new)	\$ -	\$ 287,334	\$287,334	Increase from assessment of residential properties in district (subject to exemptions)
Interest Income	\$ 3,000	\$ 2,100	(\$900)	Decrease is due to lower interest rates
Contracted Services	\$ 64,990	\$ 77,251	\$12,261	Includes payments fee-for-service such as General Services Administration (GSA) for ambassador assistance around Federal Courthouse, JTA for Ambassadors at some Skyway stations and marketing services
Voluntary Contributions, Sponsorships, Etc.	\$ 157,053	\$ 103,985	(\$53,068)	Includes all others revenue, including grants, sponsorships, event revenue and voluntary contributions from exempt organizations like JEA, First Baptist Church, Jax Chamber and Jesse Ball DuPort Fund. Decrease is due to less fee-for-service revenue and marketing sponsorships.
TOTAL REVENUES	\$ 1,699,338	\$ 2,514,177	\$814,839	
EXPENDITURES				
Salaries	\$ 485,394	\$ 599,576	\$114,182.00	Includes three new positions for stakeholder assistance, public realm activation and administrative help
Employee Benefits	\$ 75,195	\$ 95,010	\$ 19,815.00	Includes three new positions as above
Payroll Taxes/Worker's Comp	\$ 51,811	\$ 64,219	\$ 12,408.00	Includes three new positions as above
Total Salaries & Related Expenses	\$ 612,400	\$ 758,805	\$146,405.00	
Professional Fees & Contract Services	\$ 806,475	\$ 1,463,045	\$ 656,570	Includes expanded Ambassador contract (\$1.36M total), and other costs such as Downtown map/guide, advertising, graphic design support, consulting, marketing support, printing reports, rack cards and marketing collateral.
Supplies, Printing & Postage	\$ 21,243	\$ 21,252	\$ 9	Includes office supplies, stationary, copier, water cooler, postage meter, postage, bulk mail, UPS, courier fees
Telephone & Internet	\$ 9,180	\$ 9,660	\$ 480	Includes phone lease, internet, local and long distance
Computers	\$ 17,115	\$ 16,804	(\$311)	Includes website management, software fees, email hosting and server maintenance
Insurance	\$ 8,241	\$ 11,836	\$3,595	Includes D&O, liability, property, theft and event insurance. Increase is due to increased coverage
Rent	\$ -	\$ -	\$0	As approved FY20-21, COJ is not charging rent for office location in Ed Ball Building
Accounting, Banking Services & Payroll	\$ 47,269	\$ 45,472	(\$1,797)	Includes audit, payroll expenses, licenses and bank fees.
Meetings	\$ 9,375	\$ 6,160	(\$3,215)	Includes Board meetings, committee meetings, stakeholder meetings and board retreat
Travel/Conferences/Profess. Development	\$ 18,273	\$ 5,640	(\$12,633)	Includes conference expenses, lodging and travel expenses. Decrease is due to less travel for staff.
Memberships & Subscriptions	\$ 8,167	\$ 9,720	\$ 1,553	Also includes funding for membership in organizations like JaxChamber, Urban Land Institute and International Downtown Association and subscriptions for local papers such as Jacksonville Business Journal
Program Support	\$ 141,600	\$ 165,783	\$24,183	Items include \$135,000 for events and promotions such as Art Walk, Jazz Fest After Dark, Trick or Treat on the Street and for beautification initiatives such as tree bed mulching. Increase is due to increased investment in events
SUBTOTAL EXPENDITURES	\$ 1,699,338	\$ 2,514,177	\$814,839	
Contingency	\$ -	\$ -	\$ -	
TOTAL EXPENDITURES	\$ 1,699,338	\$ 2,514,177	\$814,839	
Variance	\$ -	\$ -	\$0	

Downtown Vision History of Revenues from City of Jacksonville

Fiscal Year	Private Assessments (Budgeted)	Assessed Value of City Property	City Assessments (Due) (1.1mills)	City Assessments (Paid)	Millage Rate Paid by COJ	Other \$ (Note 1, 2)	Actual City Contribution	Actual Millage	City Assessment Diff From Millage (Note 3)	DVI Adopted Budget (Note 4)
FY00/01	\$778,970	\$139,318,182	\$153,250	\$153,250	1.1	\$0	\$153,250	1.1	\$0	\$983,140
FY01/02	\$740,000	\$130,045,455	\$143,050	\$143,050	1.1	\$0	\$143,050	1.1	\$0	\$956,478
FY02/03	\$734,000	\$156,824,545	\$172,507	\$172,507	1.1	\$0	\$172,507	1.1	\$0	\$1,090,950
FY03/04	\$775,000	\$174,746,364	\$192,221	\$192,221	1.1	\$0	\$192,221	1.1	\$0	\$1,116,746
FY04/05	\$781,948	\$201,148,182	\$221,263	\$221,263	1.1	\$0	\$221,263	1.1	\$0	\$1,159,737
FY05/06	\$735,492	\$214,837,273	\$236,321	\$236,321	1.1	\$0	\$236,321	1.1	\$0	\$1,159,737
FY06/07	\$786,284	\$219,482,727	\$241,431	\$241,431	1.1	\$0	\$241,431	1.1	\$0	\$1,132,013
FY07/08	\$825,600	\$208,860,909	\$229,747	\$229,747	1.1	\$0	\$229,747	1.1	\$0	\$1,150,521
FY08/09	\$892,413	\$330,055,455	\$363,061	\$229,747	0.7	\$0	\$229,747	0.7	-\$133,314	\$1,212,356
FY09/10	\$950,000	\$310,965,455	\$342,062	\$229,747	0.7	\$39,587	\$269,334	0.9	-\$72,728	\$1,253,886
FY10/11	\$840,000	\$295,737,273	\$325,311	\$229,747	0.8	\$79,175	\$308,922	1.0	-\$16,389	\$1,203,629
FY11/12	\$750,000	\$270,883,636	\$297,972	\$229,747	0.8	\$81,913	\$311,660	1.2	\$13,688	\$1,183,568
FY12/13	\$686,000	\$242,986,364	\$267,285	\$229,747	0.9	\$81,913	\$311,660	1.3	\$44,375	\$1,297,405
FY13/14	\$686,000	\$250,729,355	\$275,802	\$229,747	0.9	\$81,913	\$311,660	1.2	\$35,858	\$1,246,962
FY14/15	\$686,000	\$421,943,650	\$464,000	\$311,660	0.7	\$0	\$311,660	0.7	-\$152,340	\$1,242,083
FY15/16	\$720,000	\$439,806,863	\$481,498	\$311,660	0.7	\$0	\$311,660	0.7	-\$169,838	\$1,323,699
FY16/17	\$733,108	\$434,850,748	\$478,336	\$311,660	0.7	\$33,988	\$345,648	0.8	-\$132,688	\$1,188,133
FY17/18	\$769,627	\$447,708,427	\$492,479	\$458,491	1.1	\$33,988	\$492,479	1.1	\$0	\$1,448,380
FY18/19	\$794,285	\$446,148,182	\$490,763	\$456,775	1.1	\$33,988	\$490,763	1.1	\$0	\$1,488,034
FY19/20	\$902,587	\$450,792,727	\$495,872	\$461,884	1.1	\$33,988	\$495,872	1.1	\$0	\$1,639,892
FY20/21	\$963,680	\$464,195,264	\$510,615	\$510,615	1.1	\$0	\$510,615	1.1	\$0	\$1,699,338
FY21/22 (proposed)	\$1,439,176	\$601,725,667	\$661,898	\$661,898	1.1	\$0	\$661,898	1.1	\$0	\$2,514,177

NOTES

- The "Other \$" column from FY09/10 to FY13/14 reflects a grant from City of Jacksonville for additional ambassadors.
- The "Other \$" column for FY16/17 to FY19/20, reflects a rental credit for Downtown Vision's lower-than-market rent in the Ed Ball Building as requested by City Council in FY16/17.
- From FY08/09 through FY16/17, the City of Jacksonville underpaid its 1.1 mill assessment by a total of \$583,376.
- During the past 20 years, Downtown Vision, Inc. has leveraged over \$2.63 in private assessments for every \$1 paid by the City of Jacksonville.

TAB IV.C

RESOLUTION 2021-04-06 SALE OF SURPLUS WATER COMPENSATORY CREDITS

RESOLUTION 2021-04-06

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AUTHORIZING THE SALE OF UP TO 0.25 ACRE OF SURPLUS WATER QUALITY COMPENSATORY CREDITS TO CRONK DUCH ARCHITECTURE (“DEVELOPER”) FOR USE ON CERTAIN PROPERTY IDENTIFIED BY DUVAL COUNTY TAX PARCEL 090037 0010 (“PROPERTY”); INSTRUCTING THE CHIEF EXECUTIVE OFFICER (“CEO”) TO TAKE ALL NECESSARY ACTION TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, DIA is the designated Community Redevelopment Agency for the North Bank Community Redevelopment Area (“CRA”), to which a Community Redevelopment Plan was adopted by Ordinance 2014-0560-E; and

WHEREAS, the Department of Public Works has determined that there are approximately 158 acres of surplus Water Quality Compensatory Credits available within the St. Johns River Water Management District Permit No. 18269-1; and

WHEREAS, making these surplus Water Quality Compensatory Credits available to developers through sale or by other conveyance promotes urban-scale redevelopment, and furthers Northbank and Southside Community Redevelopment Area Plan Redevelopment Goal 3, which calls for DIA and the City to: *Simplify the approval process for downtown development and improve departmental and agency coordination*; and

WHEREAS, through the adoption of Resolution 2017-06-06 the DIA instructed its CEO to effectuate a process whereby the DIA and the City make surplus Water Quality Compensatory Credits available to developers through sale or other conveyance; and

WHEREAS, at the request of DIA legislation was filed through the Mayors Budget Review Committee to effectuate a process for the sale and conveyance of surplus Water Quality Compensatory Credits; and

WHEREAS, Ordinance 2017-0516 was adopted by City Council thereby creating a process for the sale and conveyance of surplus Water Quality Compensatory Credits; and

WHEREAS, the Developer wishes to purchase up to 0.25 acre of surplus Water Quality Compensatory Credits.

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 authorizes the sale by the City of up to 0.25 credit acre of Surplus Water Quality Compensatory Credits to Developer for application on the Property at a rate of \$34,948.25 per credit acre pursuant to the formula for determining such credit acre purchase price contained within Ordinance 2017-0516 and memorialized in Chapter 55, Jacksonville Code of Ordinances.

Section 3. The DIA instructs its CEO to take all necessary action to effectuate the purposes of this resolution.

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

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Ron Moody, Chairman

Date

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

TAB IV.D

**RESOLUTION 2021-04-07 CONTRIBUTION TO JESSIE BALL DUPONT FUND
DOWNTOWN PARKS STUDY**

RESOLUTION 2021-04-07

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) PROVIDING FOR A SIXTY THOUSAND DOLLAR (\$60,000.00) CONTRIBUTION TO THE JESSIE BALL DUPONT FUND TO SUPPORT A COLLABORATIVE RIVERFRONT PARKS STUDY; INSTRUCTING ITS CHIEF EXECUTIVE OFFICER TO TAKE ALL NECESSARY ACTIONS TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, as part of the Business Investment and Development Strategy / Community Redevelopment Area Plans update currently being performed includes a Parks Master Plan component that focuses on neighborhood parks; and

WHEREAS, abovementioned focus on neighborhood parks is one element of developing a comprehensive program and strategy for Downtown parks; and

WHEREAS, to complete a comprehensive program and strategy for Downtown’s parks must include our Riverfront parks and Riverwalk; and

WHEREAS, the Jessie Ball DuPont Fund has committed funding and is currently undertaking a Riverfront parks study that will both benefit and inform the City and DIA efforts to create and program a world-class Riverfront park system; and

WHEREAS, in recognition that the Riverfront park study is a collaborative effort between the Jessie Ball DuPont Fund and the City/DIA,

NOW THEREFORE, BE IT RESOLVED by the Downtown Investment Authority:

Section 1. The DIA authorizes a contribution of sixty thousand dollars (\$60,000.00) to the Jessie Ball DuPont Fund to be used towards continued funding of their Riverfront parks study.

Section 2. The DIA authorizes its Chief Executive Officer to take all necessary actions to effectuate the purpose of this Resolution.

Section 3. This Resolution shall become effective on the date it is signed by the Chair of the DIA Board.

[SIGNATURES ON SEPARATE PAGE]

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Ron Moody, Chairman

Date

VOTE: In Favor: ____ Opposed: ____ Abstained: ____