

**RESOLUTION 2015-09-07**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY SUPPORTING THE EXECUTION OF A REDEVELOPMENT AND INCENTIVE AGREEMENT BETWEEN THE DOWNTOWN INVESTMENT AUTHORITY AND CLARA WHITE MISSION, INC.; AUTHORIZE CEO OF THE DOWNTOWN INVESTMENT AUTHORITY TO NEGOTIATE THE REDEVELOPMENT AGREEMENT; AND AUTHORIZE CEO OF THE DOWNTOWN INVESTMENT AUTHORITY TO EXECUTE SUCH AGREEMENTS.**

**WHEREAS,** Clara White Mission, Inc., (the “Developer”) proposes to redevelop the Building located at 605 Beaver Street. The Developer proposes to redevelop the building into a mixed use development consisting of approximately 4,300 s.f. of commercial office space and 16 multifamily apartment units for veterans. The entire 4,300 s.f. of office space will be rented by the U.S. Veteran’s Administration for the provision of services to veterans. Collectively the project will result in the investment of over \$3.8 million for the restoration, preservation, and construction of the building and associated improvements; and

**WHEREAS,** the City of Jacksonville (“City”) has desired an adaptive reuse for the building. The City of Jacksonville has invested \$1,688,357 into the project in the form of Community Development Block Grant funds (“CDBG”); and

**WHEREAS,** the project has run into financial difficulty through costs over runs and the need to secure a new commitment for Senior Debt. The project continues to have a gap in its development budget of approximately \$400,000; and

**WHEREAS,** the Developer is seeking a grant of \$200,000 from the DIA, through the Downtown Historic Preservation and Revitalization Trust Fund (the “HPTF”) and a grant of \$200,000 from the NWJEDF to help close the funding gap; and

**WHEREAS,** the Downtown Investment Authority (“DIA”) is authorized per section 55.308 *Economic Development* of the City Ordinance Code, pending City Council and Mayoral approvals, to utilize the Tax Increment Finance District Trust Funds to foster the redevelopment of the Downtown Northbank Community Redevelopment Area; and

**WHEREAS,** the Downtown Investment Authority (“DIA”) is authorized per section 111.910 *Downtown Historic Preservation and Revitalization Trust Fund* of the City Ordinance Code, to administer and approve, with the assistance of the Historic Preservation Section of the Planning Department, grants made from the fund; and

**WHEREAS,** the DIA supports the project in receiving up to \$200,000 in the form of a grant from the Downtown Historic Preservation and Revitalization Trust Fund. The Grant will help to pay for the exterior façade restoration and the preservation of historically significant interior features of the building; and

**WHEREAS**, the financial assistance to the project will be in the form as detailed on the attached Term Sheet; and

**WHEREAS**, the proposed HPTF grant incentives are a material factor in assisting the Clara White Mission in completing an important Veterans Housing and Service center.

**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.** Authorizing the CEO of the Downtown Investment Authority to negotiate a Redevelopment Agreement with the Developer.

**Section 3.** Authorizing the CEO of the Downtown Investment Authority to execute such agreements.

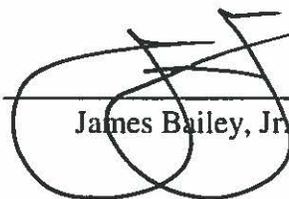
**Section 4.** This Resolution 2015-09-07 shall become effective upon its approval by the DIA this 30th day of September, 2015.

**Section 5.** Subject to the terms as described in the Term Sheet attached as exhibit A.

**Section 6.** Authorizing the CEO of the Downtown Investment Authority to execute such agreements, subject to prior approval by the City of Jacksonville Historic Preservation Section.

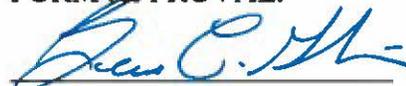
WITNESS:

**DOWNTOWN INVESTMENT AUTHORITY**

  
James Bailey, Jr., Chairman

VOTE: In Favor: 6 Opposed: 0 Abstained: \_\_\_\_\_

FORM APPROVAL:

  
Office of General Counsel

TERM SHEET

Project Name: Beaver Street Villas

Developer/ Applicant: Clara White Mission

Total Development Costs (estimate): \$3,834,818

Equity (proposed): \$ 0.00

Owner's Equity: \$ 0.00

City Funding: No more than **\$200,000** (through the City of Jacksonville Downtown Investment Authority)

Breakdown:

Infrastructure: No city of Jacksonville infrastructure improvements are contemplated.

Land: No City of Jacksonville land is committed to the project.

REV Grant: No REV Grant from the City of Jacksonville is contemplated by the project.

Grants: No Grans from the City of Jacksonville are contemplated for this project.

**No more than \$200,000** from the Historic preservation and revitalization Trust Fund ("HPTF"). The grant would be drawn down during construction on a pro rata basis with the construction loan fund. The HPTF Grant is contingent upon the following:

1. Approval of a \$200,000 grant from the NWJEDF; and
2. Funding od a loan in the amount no less than \$1,150,000 from Synovous Bank; and
3. Approval of all historically eligible costs from the City of Jacksonville Planning Dept.

Loans: No loans from the DIA are contemplated for this project.

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Conditions: This Term Sheet is limited by the following conditions:

All terms contained within this Term Sheet are contingent upon the successful commitment and closing of all Historic Rehabilitation Tax Credit Agreements. All terms contained within this Term Sheet are also contingent upon the Commitment of the Developer's Equity, and Debt Financing.

These proposed financial terms are subject to the approval of the Downtown Investment Authority and the City of Jacksonville.

There will be additional terms, conditions, rights, responsibilities, warranties and obligations for both parties shall be determined in a later negotiated mutually agreeable written contract (or multiple written contracts as is deemed necessary). Failure to agree upon and execute a written contract (or contracts) for these proposed financing terms, and any additional terms which have been agreed upon, by the expiration date of this Term Sheet will result in the nullification all obligations of both parties.

This Term Sheet expires and becomes void upon 11/1/2015.

Offered on behalf of the City of Jacksonville Downtown Investment authority by:

\_\_\_\_\_

Aundra C. Wallace its CEO

Accepted on behalf of Clara White Mission by

\_\_\_\_\_

Print Name:

Its (print Officer Title): \_\_\_\_\_