

## RESOLUTION 2022-09-03

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) MODIFYING THE TERM SHEET FOR DISPOSITION OF THE PROPERTY PREVIOUSLY APPROVED BY THE DIA PURSUANT TO RESOLUTION 2022-01-03; FINDING THAT THIS RESOLUTION FURTHERS THE BUSINESS INVESTMENT AND DEVELOPMENT (“BID”) PLAN, INCLUDING THE COMMUNITY REDEVELOPMENT AREA PLAN; AUTHORIZING THE CEO OF THE DIA TO TAKE ALL ACTION NECESSARY TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, pursuant to Resolution 2021-07-03 the DIA directed the CEO to enter into negotiations with MOSH regarding the potential disposition of a civic attraction site in Shipyards East in accordance with the negotiated disposition procedure adopted by DIA; and

**WHEREAS**, pursuant to Resolution 2021-11-01 DIA authorized a Notice of Disposition for the Property consistent with the terms established in that Resolution; and

**WHEREAS**, The Notice of Disposition was published on November 22, 2021, and closed on December 23, 2021 and no other offers were received; and

**WHEREAS**, pursuant to Resolution 2022-01-03, the DIA authorized the disposition by ground lease of a 2.5-acre parcel for the new museum together with associated rights and responsibilities for design, development, use and maintenance of adjacent City-owned property in accordance with the term sheet attached thereto; and

**WHEREAS**, following adoption of Resolution 2022-01-03, MOSH has renegotiated several terms contained in the previously approved term sheet, now requiring approval of an amended term sheet and structure; and

**WHEREAS**, none of the amended or renegotiated terms violate the terms of the published Notice of Disposition or require reissuance of the Notice; and

**WHEREAS**, at a publicly noticed meeting held on September 15, 2022, the DIA Retail Enhancement and Property Disposition Committee (“REPD”) recommended that the DIA Board adopt Resolution 2022-09-03; and

**WHEREAS**, the DIA finds that the proposed disposition and modified redevelopment proposal further the following Redevelopment Goal and Strategic Objectives found in the BID/CRA Plan:

**Redevelopment Goal No. 4** | Increase the vibrancy of Downtown for residents and visitors through arts, culture, history, sports, theater, events, parks, and attractions.

**Strategic Objective** | Support the expansion, renovation, and improvement of existing, and creation of new, diverse civic attractions, cultural venues, theaters, and parks that provide a mix of activities and attract a broad range of demographics.

**Strategic Objective** | Partner with arts and culture organizations as well as educational institutions to create culturally specific attractions, competitions and workforce development programs that bring students, young professionals, etc. Downtown Jacksonville.

**Strategic Objective** | Increase number of daily visits to Downtown Jacksonville.

**Redevelopment Goal No. 7** | Capitalize on the aesthetic beauty of the St. John's River, value its health and respect its natural force, and maximize interactive and recreational opportunities for residents and visitors to create waterfront experiences unique to Downtown Jacksonville.

**Strategic Objective** | Develop a series of dynamic riverfront parks on both sides of the river, connected by the Riverwalks, that together provide a premier destination park experience. Integrate themes of authentic Jacksonville content, robust programming, and varied facilities that are flexible and respond to public desires for waterfront activities.

**Strategic Objective** | Ensure that private developments fronting the river and creeks comply with design standards that protect public access and enjoyment of the waterfront. Enforce the 50-foot (minimum) building setback, and height step-backs from the St. Johns River's water edge. Protect, enhance, and increase view corridors to the St. John's River and provide access to and from the Southside and Northbank Riverwalk at regular intervals.

**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 has determined that the amended terms sheet attached hereto as Exhibit A, which outlines the essential terms of the disposition approved by Resolution 2022-01-03, is approved.

**Section 3.** The DIA hereby approves the disposition of a 2.5-acre portion of the Property by Ground Lease, together with associated rights and responsibilities for design, development, use and maintenance of adjacent City-owned property in accordance with the terms of the Modified Term Sheet attached hereto as Exhibit B, together with such other terms and conditions identified therein.

**Section 4.** 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 preparation and filing of legislation with City Council.

**Section 5.** This Resolution, 2022-09-03, shall become effective on the date it is signed by the Chair of the DIA Board.

[Signatures on Following Page]

WITNESS:

**DOWNTOWN INVESTMENT AUTHORITY**

*Ryanne Christman*      *Carol Worsham*      9/21/22  
Carol Worsham, Chair      Date

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

**Exhibit A to Resolution 2022-09-03  
 Term Sheet**

Developer:	Museum of Science and History (“MOSH”).
The Property:	A 6.86 plus or minus acre parcel of land commonly referred to as Lot X and depicted on the sketch attached as Exhibit B.
The Museum Parcel:	A 2.5-acre parcel located on the Property and on which a public museum building and all associated driveways, parking, and other spaces controlled exclusively by MOSH will be located.
The Partnership Parcel:	Up to 1.5 acres of the Property surrounding and contiguous to the Museum Parcel. All berms, buffers and landscape designed solely to screen or aesthetically enhance the building on the Museum parcel must be included in the Partnership Parcel or Museum parcel rather than on the Park Parcel, however any such berms or screening will not be considered urban open space. The Partnership Parcel may be used by MOSH for exclusive and private events and programs on an occasional basis. The term “occasional” will be defined in the Redevelopment Agreement.
The Park Parcel	The approximate 100-foot setback on all water frontages inclusive of the Riverwalk and Emerald Trail along Hogan’s Creek and the waterfront, together with such additional land as remains after deducting the Museum Parcel 2.5 acres and Partnership Parcel 1.5 acres.
The Project:	A 75,000 SF to 130,000 SF public museum facility, together with associated parking, driveways, and private outdoor exhibit spaces to be constructed by MOSH on the Museum Parcel with a minimum capital investment of \$85,000,000. No less than 50,000 SF of Exhibit Space shall be constructed within the museum facility.
The Park Project:	A publicly accessible Riverwalk and park space to be designed by MOSH for the balance of the Property inclusive of the Partnership Parcel and Park Parcel, but exclusive of the Museum Parcel. MOSH shall enter into a cost disbursement agreement for reimbursement of up to \$800,000 for design of the Park Project subject to City Council approval. Contiguous landscaped areas designed for programmatic use as park space shall be maximized.
The Infrastructure Project	The Infrastructure Project shall include the design and construction of the extension of A Philip Randolph Blvd. from Bay Street to the Riverwalk including utility extensions, landscape, sidewalks and lighting.
Redevelopment Agreement	The Redevelopment Agreement will establish the essential terms of the Ground Lease of the Museum Parcel, the Partnership Agreement with respect to use and maintenance of the Partnership Parcel, MOSH’s rights and responsibilities with respect to design of the Park Project, the City’s obligations with respect to construction of infrastructure improvements, site remediation of Park and Partnership Parcels, site remediation of the Museum Parcel to the extent that funds therefor are not directly appropriated to MOSH, park improvements, etc.,

	<p>on the Property and other terms relevant to development of the Property. The RDA will become effective upon its execution following approval by City Council. Its terms will govern the period prior to the Effective Date of the Ground Lease as well as rights and responsibilities of the parties for other portions of the Property throughout the term of the RDA. It is contemplated that MOSH will enter into a cost disbursement agreement with the City pursuant to which MOSH will design the Park Project.</p>
<p>Ground Lease Terms:</p>	<p>The DIA on behalf of the City will enter into a Ground Lease of the Museum Parcel with MOSH.</p> <p>The term of the Ground Lease shall consist of a Construction Term commencing on the Effective Date of the Ground Lease (Commencement of Construction) and ending upon Substantial Completion of the Project, but in no event later than December 31, 2027. Upon Substantial Completion of the Project, the Occupancy Term of Forty (40) years shall commence, which lease will provide one (1) ten-year renewal option provided MOSH remains in compliance with the Redevelopment Agreement and Ground Lease, including the use and maintenance obligations therein. At any time prior to the expiration of the Occupancy Term, whether or not extended by renewal, MOSH may seek an extension of the term, subject to review and approval by the City Council.</p> <p>Annual ground lease rent shall be \$1.00/year.</p> <p>MOSH may obtain, at its expense, leasehold title insurance but the City shall have no obligation to warrant title or remove any title defects.</p>
<p>Site Investigation:</p>	<p>MOSH will be provided an Access Agreement contemporaneously with adoption of this revised term sheet to permit immediate site investigations to begin. Following the execution of the Redevelopment Agreement, MOSH will have an additional period of 90 calendar days ("Due Diligence Period") to inspect and perform tests on the Property to determine its suitability for the Project, and to investigate the quality and marketability of the title of the leasehold interest it will receive from the City. Upon notice to the City, MOSH may terminate the Redevelopment Agreement and the Project any time within the period without cause and without incurring any obligations under the Lease or Redevelopment Agreement.</p>
<p>Environmental:</p>	<p>The City will remain responsible for compliance with the Shipyards BSRA and all orders and consent agreements governing environmental issues applicable to the Property.</p> <p>MOSH will provide access to the Property for any required investigation and monitoring activities but shall not be liable for environmental issues applicable to the Property except to the extent the cause of the same is attributable to the use or occupancy of the Property by MOSH, including liability for any damage caused by MOSH or its contractors during construction.</p>
<p>Entitlements:</p>	<p>The City and the DIA will allocate all required entitlements for the Project, including but not limited to Downtown Development Rights and Mobility Credits</p>

	<p>at no expense to MOSH. Stormwater Credits will be available for purchase by MOSH in accordance with the ordinance governing the same once the quantity of credits required is known.</p>
<p>Design:</p>	<ul style="list-style-type: none"> <li>a. MOSH shall advise its design team to design the museum facility and the surrounding park space comprising the Property with the aspirational goal of creating an iconic venue. Iconic means that the facility will be visually dramatic, unique, and memorable. It will be designed with the intent to draw visitors from around the Southeast Region and serve as an important and enduring landmark contributing to that which defines the City as a distinctive urban center and will remain visually and experientially appealing with the passage of time.</li> <li>b. The design will comply with the Downtown Overlay Standards as enacted within the Jacksonville Municipal Code as well as the DDRB’s development guidelines, except as may otherwise be approved by the DDRB and allowed by code. The site plan presented to the DIA will be deemed in compliance with the Downtown Overlay if a determination is made by the DDRB that the space between the building and the Bay Street frontage, as finally designed, is consistent with the Downtown Zoning Overlay and constitutes qualified urban open space, or a deviation from the “build to” line, meeting the criteria established in the code, is granted by the DDRB. Site plan approval by the DIA is not a determination that either criterion has been met, but assumes one or the other will be, or a revised site plan will be presented to the DIA. A minimum 50’ building setback from the river on all waterfront sides of the Property will be required and no portion of the Museum Parcel may encroach within this zone.</li> <li>c. MOSH shall advise its Design team that DIA desires an expanded riverfront park space adjacent to Riverwalk to connect parks east and west of the site. To the extent feasible, the building itself and the boundary of the Museum Parcel will be set back 100 feet or more from the bulkhead, but its riverfront frontage should open to and engage with the Riverfront park.</li> <li>d. Furthermore, the building should be designed to engage with the Bay Street consistent with the Downtown Zoning Overlay, Downtown Design Guidelines, and such further guidance as may be provided by the DIA and DDRB boards in an upcoming workshop. DIA envisions a walkable activated corridor, and this site needs to contribute to the activation of the Bay Street frontage. In most cases, we are requiring retail or restaurant space with direct sidewalk access and the zoning Overlay includes a “build to” line. It is expected that DDRB will review the final design of the proposed urban open space and the transparency of adjacent facades and adjacent interior uses to ensure compliance.</li> <li>e. The Design of the Park Project (inclusive of the Partnership Parcel) is subject to review and approval of the Downtown Investment Authority for consistency with its BID and CRA Plan and of the DIA and COJ</li> </ul>

	<p>Department of Parks, Recreation and Community Services for consistency with associated adopted studies and plans of each for the Riverwalk and riverfront which the DIA and the City shall provide to MOSH no later than October 1, 2022.</p> <p>f. A site plan will be submitted by MOSH to the DIA for the Museum Parcel (inclusive of approximate building dimensions, setbacks, entrances, uses and engagement on Bay and the riverfront) on or before March 31, 2023, demonstrating compliance with this disposition term sheet, the Downtown Zoning Overlay, Downtown Design Guidelines, as the same may be clarified or expanded upon during a workshop between the DIA and MOSH held no later than October 19, 2022.</p> <p>g. The design of the Museum Parcel may include queueing space for loading and unloading a maximum of 6 buses delivering and picking up museum patrons. Surface parking of buses on the Property shall not be permitted.</p> <p>h. In collaboration with the City's Chief Resiliency Officer, the design will include resiliency features, including to the extent practicable the design recommendations set forth in the 2021 Report by the City Council Special Committee on Resiliency and/or other City requirements adopted as of design review, consistent with the term of the Ground Lease. Further, a storm surge simulation summary memorandum has been provided to MOSH by the City which provides data and projections regarding flood elevation levels for the Property.</p> <p>i. The design must be coordinated with the Hogan's Creek resiliency project which is under design and Emerald trail segment contemplated to cross the site. Preliminary designs contemplate a living shoreline to improve habitat and water quality at the mouth of Hogan's Creek. In addition, the current concept design proposes up to a 100' buffer from the existing bulkhead. The concept design also contemplates a Trail visitor center at Bay Street on the creek front and the trail must connect to the Riverwalk Publicly available restrooms for trail and Riverwalk users should be accommodated either in the visitor center or elsewhere within the Park Project. Finally, the location of the pedestrian bridge crossing the creek will be subject to coordinated design and placement. The City will provide standards for the design requirements of this paragraph no later than March 31, 2023.</p> <p>j. A science themed activity node will be included on the Property executed at a scale, durability and appeal complementing other activity nodes within the Downtown Area. The node marker shall be capable of being lighted at night and visible from other locations along the Riverwalk. The node marker may be incorporated into the building design or as part of the Park Project.</p> <p>k. The design will include access to and features complementing the portion of the Riverwalk located adjacent to the Property.</p>
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	<p>I. Landscaping will comply with the City’s standards and the Downtown Design Standards. The 50-foot strip of land adjacent to the bulkhead and Hogan’s Creek within which the Riverwalk will be constructed will comply with the Riverwalk Plant Palette.</p>
<p>Site information, studies and design:</p>	<p>Pursuant to a previously approved and funded CIP project, the City will complete and provide to MOSH:</p> <ul style="list-style-type: none"> <li>a. Surveys, ground penetrating radar, soil borings, and similar studies and investigations appropriate to make the Property available for sale or lease for any development have been provided to MOSH.</li> <li>b. A copy of the BSRA and any environmental information available regarding the site will be provided to MOSH within sixty (60) days of the date of the adoption of this Resolution.</li> <li>c. A storm surge simulation has been provided to MOSH by the City to evaluate how flooding can be mitigated and the results will be factored into the design.</li> <li>d. During the Due Diligence Period and thereafter prior to Commencement of Construction, pursuant to a Cost Disbursement Agreement, MOSH will Design and the City will reimburse MOSH for the Design of the Park Project and science themed activity node (excludes the Museum Parcel and Infrastructure Project) in an amount not to exceed \$800,000.</li> </ul>
<p>Construction of Infrastructure</p>	<ul style="list-style-type: none"> <li>a. Following expiration of the Due Diligence Period, and the latter of (i) satisfactory evidence that MOSH has reached 85% of its fundraising goal for the construction of the museum facility and associated improvements on the Museum Parcel; (ii) final DDRB approval of the Museum plans; and (iii) MOSH has completed 90% civil construction drawings for the Museum facility indicating where all utility and stormwater connections will be needed, the City will commence design and construction of bringing electric, water, wastewater, and reuse water utility services to the Museum Parcel as well as facilities for receiving and transporting stormwater from the Property for management off-site if required or connecting to the River. The work of the Infrastructure Project and of the construction of the museum facility on the Museum Parcel will require coordination and cooperation between the City and MOSH to ensure to the extent reasonably practicable the timely extension of pavement and utility connections between each.</li> <li>b. During the Construction Term and prior to commencement of the Occupancy Term of the Lease, the City shall complete design and construction of an extension of A. Philip Randolph Blvd. contiguous to the Property boundary to provide access to the future driveway/parking entrance for the Project.</li> <li>c. During the Construction Term and prior to commencement of the Occupancy Term of the Lease, the City shall construct the Riverwalk on</li> </ul>



	<p>the Park Property in accordance with MOSH’s approved design therefor, within the current approved CIP Project Scope</p> <p>d. During the Construction Term and prior to commencement of the Occupancy Term of the Lease, the City will construct the Park Project and science themed activity node, or portions thereof, in accordance with MOSH’s approved design therefor as contemplated by the current approved CIP Project Scope.</p> <p>e. Any excess funds in the approved CIP project upon completion of the approval of budgets for the foregoing items (a) through (d), shall be used to further extend the Riverwalk beyond and in the vicinity of the Property as is currently permitted within the approved CIP Project Scope</p>
<p>Fundraising Condition:</p>	<p>MOSH is responsible for securing funds (private donations, grants, etc. other than City grants or CIP) for the construction of the museum facility and associated improvements on the Museum Parcel totaling at a minimum \$40,000,000, with a total projected capital investment of \$85,000,000. MOSH anticipates the principal sources for such funds to be twofold: (i) donations secured by pledge agreements with individuals, business entities, foundations, and the like; and (ii) a grant or grants from the State, Federal Government, or other grant organizations. To qualify as having been secured, a pledge must be binding, though it may be collected over a period of years. MOSH is not prohibited from procuring institutional financing for facility construction so long as neither the Museum Parcel, the Ground Lease nor the museum facility and fixed improvements are pledged as security. Such financing may be secured by donation pledge agreements.</p> <p>The above required minimum construction financing must be secured before December 31, 2023, subject to extension as permitted in the RDA. Failure to secure sufficient funding and to commence construction by December 31, 2023 , subject to extensions as permitted in the RDA and by force majeure, will result in the termination of the RDA and MOSH will have no further rights to development of the Property.</p>
<p>Use of the Museum Parcel:</p>	<p>The facility constructed on the Property will be used by MOSH primarily as a public museum with exhibits, programs and fixed improvements focused principally on science and history including education centered around technology, engineering, and mathematics. Ancillary uses may include a gift shop and food service. MOSH is authorized to charge general admission fees; rental fees for on-site third-party events; specific program charges and tuition for workshop, classroom and educational units provided by MOSH; admission fees for school sponsored visits.</p> <p>The Museum will contain no less than 50,000 square feet of exhibit and gallery space, in addition to classrooms, gift shops, cafés, event space and other facilities. The Museum will be open to the public no fewer than 295 days per year; no fewer than 5 hours/day. It is understood that the activation of the riverfront on a consistent basis is a material inducement to the Ground Lease.</p>

<p>Use of the Partnership Parcel:</p>	<p>The Partnership Parcel shall remain generally open and available for public use as a park, however pursuant to an operating agreement or parks partnership agreement MOSH shall have the non-exclusive right to program such space and on occasion restrict access to portions of the Partnership Parcel for private or ticketed events. MOSH shall be responsible for routine maintenance of the Partnership Parcel, other than Capital Expenditures, may establish rules for its use and shall include the Partnership Parcel within its insurance coverage for all MOSH programs, sponsored or private events. In no event shall the Partnership Parcel be permanently gated, fenced or access otherwise restricted to require entry through the Museum. During hours other than (i) Museum Operating hours and (ii) hours of occasional special events sponsored by the Museum after such Operating hours subject to coordination with the Parks and Recreation Department, the Partnership Parcel shall be publicly accessible in accordance with applicable City Park rules for the Riverwalk and adjacent parks space. The term "occasional" as used herein will be defined in the Redevelopment Agreement.</p>
<p>Permits:</p>	<p>MOSH will be responsible for obtaining all building and other permits required for the Project.</p>
<p>Selected Ground Lease Provisions:</p>	<p>The Ground Lease will include provisions, among others in the standard City Ground Lease, addressing the following:</p> <ul style="list-style-type: none"> <li>a. MOSH will obtain and maintain liability and premises insurance with limits established by City Risk management. The City must be an additional insured under each policy.</li> <li>b. Without the City's consent, the Lease will not be assigned by MOSH to a third party, nor will MOSH sublease any portion of the Property to a third party; provided, the foregoing will not prohibit MOSH from subleasing any portion of the Museum Parcel to the Duval County School District for educational purposes, or from renting the facility to third parties for short term events, or from subleasing space to a third-party provider of food service, and the City's consent will not be required for the same.</li> <li>c. Upon the termination of the Lease for any reason, the City promptly will be let into possession of the Property. Throughout the term of the Lease, title to the museum facility and other fixed improvements made to the Museum Parcel by MOSH will remain with MOSH until the termination of the Lease, whereupon such title will pass to the City.</li> <li>d. Typical lease remedies for default with cure opportunities.</li> </ul>
<p>Performance Schedule:</p>	<ul style="list-style-type: none"> <li>a. The Redevelopment Agreement and the Park Project design cost disbursement agreement will be entered into by MOSH and the City</li> </ul>

	<p>within 30 days following the effective date of the legislation authorizing the City's entry.</p> <p>b. Immediately upon the effective date of the Redevelopment Agreement, the Cost Disbursement Agreement for the Park Project design becomes effective.</p> <p>c. The Due Diligence Period shall commence upon the effective date of the Redevelopment Agreement and expire 90 days thereafter.</p> <p>d. By December 31, 2023, MOSH will satisfy all conditions to enter into Ground Lease, including fundraising for museum facility and associated improvements on the Museum Parcel; Ground Lease will be entered into immediately upon satisfaction of all conditions.</p> <p>e. By December 31, 2023, Commencement of Construction or termination of RDA. Construction of the museum facility must commence no later December 31,2023.. The commencement of construction or installation of the infrastructure and site work performed by the City under the CIP Appropriation or any portions thereof shall not be deemed the commencement of construction of the museum facility.</p> <p>f. Dec. 31, 2027 – Substantial Completion of construction of all improvements on the Property.</p> <p>g. The foregoing deadlines will be subject to extensions of up to six (6) months granted by the DIA's Executive Director and an additional up to six (6) months by the DIA Board without additional City approval upon reasonable cause shown by MOSH, and by force majeure. Such extension of the Commencement Date shall also apply to the date of Substantial Completion, so that a single extension provided will apply to both simultaneously.</p> <p>h. The development of the Property and construction of the museum building will not be phased; however, this provision does not preclude future finishing out of the interior of buildings and other improvements after Substantial Completion. Any future exterior work in the Museum Parcel will be subject to DDRB review and approval.</p> <p>i. Following entry into the Redevelopment Agreement MOSH will provide to the City, project updates every six months.</p>
Existing Museum	<p>One hundred and eighty days following the date substantial completion of the new museum facility on the Property has been achieved, the lease and sublease for the existing MOSH museum located at 1025 Museum Circle will be deemed terminated. Prior to termination, MOSH will retain exclusive possession of the existing museum facility for the purpose of packing and removing non-fixed property belonging to MOSH, immediately following which MOSH will vacate the premises and surrender possession to the City. Simultaneously with the termination, the Duval County School District shall relinquish all interests in the premises. Title to and ownership of all structures and fixtures on the premises by</p>

	MOSH will pass to the City upon the date following the vacating of the premises by MOSH. Notwithstanding the foregoing, in the event existing grant conditions require that the existing facility remain in operation through 2026, MOSH will comply with such grant requirements or cause the same to be released prior to vacation of the current facility.
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The provisions of this Term Sheet are intended to guide the parties in negotiating the Ground Lease, the Redevelopment Agreement and any other documents that may be necessary to give effect to the manifest intent of the parties expressed herein.

Exhibit B to Resolution 2022-09-03

