



**DOWNTOWN INVESTMENT AUTHORITY
AGENDA**

**Ed Ball Building
214 North Hogan Street
8th Floor / Room 851**

Wednesday, January 18, 2017 – 2:00 P.M.

MEMBERS:

James Bailey, Chairman
Jack Meeks, Vice Chairman
Oliver Barakat, Board Member
Brenna Durden, Board Member
Craig Gibbs, Board Member

Dane Grey, Board Member
Ron Moody, Board Member
Marc Padgett, Board Member
Kay Harper-Williams, Board Member

I.	CALL TO ORDER – Chairman Bailey
	A. Pledge of Allegiance
II.	PRESENTATIONS
	A. Cultural Council and Mr. Preston Haskell
	B. JTA Skyway Update
III.	COMMUNITY REDEVELOPMENT AGENCY MEETING
	A. December 14, 2016 Community Redevelopment Agency Meeting Minutes*
	B. Resolution 2017-01-01 Southbank Parking Within FDOT Right-of-Way
	C. Resolution 2017-01-02 Southbank Apartment Ventures, LLC, R.E.V. Grant*
	D. Resolution 2017-01-03 One Call R.E.V. Grant*
	E. December 14, 2016 Community Redevelopment Agency Meeting Transcript
IV.	DOWNTOWN INVESTMENT AUTHORITY BOARD MEETING
	A. December 14, 2016 DIA Board of Directors Meeting Minutes*
	B. Resolution 2017-01-04 Southbank Apartment Ventures, LLC, Allocation of Development Rights*
	C. December 14, 2016 DIA Board of Directors Meeting Transcript
V.	CHIEF EXECUTIVE OFFICER REPORT
VI.	DDRB BRIEFING
VII.	OLD BUSINESS
VIII.	NEW BUSINESS
IX.	PUBLIC COMMENTS
X.	ADJOURN

* Indicates action item

DATE: 20170113



Downtown Investment Authority
Community Redevelopment Area Board

Ed Ball Building
214 North Hogan Street, 8th Floor, Conference Room 851
Wednesday, January 18, 2016 - 2:00 p.m.

Community Redevelopment Area Board
MEETING MINUTES

Board Members Present: Jim Bailey, Chairman; Jack Meeks, Vice Chairman; Oliver Barakat; Dane Grey; Brenna Durden; Craig Gibbs; Ron Moody; Marc Padgett and Kay Harper Williams

Board Members Absent: None

Council President: Council President Boyer

Mayor's Staff: Johnny Gaffney, Office of the Mayor

DIA Staff: Aundra Wallace, DIA Chief Executive Officer; Guy Parola, DIA Development Manager; Tom Daly, DIA Development Analyst; and Jim Klement, DIA Development Coordinator;

Office of General Counsel: John Sawyer

Chairman Bailey convened the meeting at 2:05 p.m.

I. PRESENTATIONS

A. Cultural Council - Mr. Preston Haskell, David Engal and Tony Allegretti

Tony Allegretti, Executive Director of the Cultural Council provided presentations of the DIA Urban Arts and The Water Street parking garage public Art Project.

Chairman Bailey asked him to keep the Board apprised of any events, openings and any updates of completion.

II. ACTION ITEMS

A. 2016 Community Redevelopment Agency Meeting Minutes

A MOTION WAS MADE BY BOARD MEMBER HARPER-WILLIAMS AND SECONDED BY BOARD MEMBER MOODY APPROVING THE DECEMBER 14, 2016 COMMUNITY REDEVELOPMENT AGENCY MEETING MINUTES.

THE MOTION PASSED UNANIMOUSLY 9-0-0.

B. RESOLUTION 2017-01-01 SOUTHBANK PARKING WITHIN FDOT RIGHT-OF WAY

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) BOARD OF DIRECTORS INSTRUCTING THE DIA CHIEF EXECUTIVE OFFICER, THROUGH THE OFFICE OF PUBLIC PARKING, TO TAKE ALL NECESSARY ACTION TO EFFECTUATE A PUBLIC PARKING AGREEMENT WITH THE FLORIDA DEPARTMENT OF TRANSPORTATION (“FDOT”) FOR USE, OPERATION AND MANAGEMENT OF CERTAIN SURFACE PARKING FACILITIES WITHIN FDOT RIGHT-OF-WAY AS ILLUSTRATED BY EXHIBIT ‘A’; AUTHORIZING THE EXPENDITURE OF UP TO \$575,000 OF SOUTHSIDE TID FUNDS FOR IMPROVEMENTS NECESSARY FOR USE OF THE AFOREMENTIONED SURFACE PARKING FACILITIES; REQUESTING THAT THE JACKSONVILLE CITY COUNCIL VIA RESOLUTION OR ORDINANCE EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

A MOTION WAS MADE BY BOARD MEMBER GIBBS AND SECONDED BY BOARD MEMBER HARPER-WILLIAMS APPROVING RESOLUTION 2017-01-01.

THE MOTION PASSED UNANIMOUSLY 9-0-0.

C. RESOLUTION 2017-01-02 SOUTHBANK APARTMENT VENTURES, LLC, R.E.V. GRANT*

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY AUTHORIZING THE CHIEF EXECUTIVE OFFICER (THE “CEO”) TO NEGOTIATE AN ECONOMIC DEVELOPMENT AGREEMENT AUTHORIZING A MARKET RATE MULTI-FAMILY HOUSING RECAPTURE ENHANCED VALUE GRANT (“REV GRANT”) BETWEEN THE DOWNTOWN INVESTMENT AUTHORITY AND VENTURES DEVELOPMENT GROUP, LLC; AUTHORIZING THE CEO OF THE DOWNTOWN INVESTMENT AUTHORITY TO EXECUTE SUCH AGREEMENT; PROVIDING AN EFFECTIVE DATE.

A MOTION WAS MADE BY BOARD MEMBER GIBBS AND SECONDED BY BOARD MEMBER PADGET APPROVING RESOLUTION 2017-01-02.

THE MOTION PASSED UNANIMOUSLY 9-0-0.

D. RESOLUTION 2017-01-03 ONE CALL R.E.V. GRANT*

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY SUPPORTING THE EXECUTION OF A BUSINESS ATTRACTION INCENTIVE AGREEMENT BETWEEN THE DOWNTOWN INVESTMENT AUTHORITY, IP CAPITAL PARTNERS, LLC, AND ONE CALL CARE MANAGEMENT.; AUTHORIZE CEO OF THE DOWNTOWN INVESTMENT AUTHORITY TO NEGOTIATE THE BUSINESS ATTRACTION INCENTIVE AGREEMENT; AUTHORIZING THE CEO OF THE DOWNTOWN INVESTMENT AUTHORITY TO EXECUTE SUCH AGREEMENTS.

Keith Goldfaden, NAI Hallmark Partners, Broker and Caryn Carraro, Cushman and Wakefield were present to answer any questions.

CEO Wallace requested Chairman Bailey to allow him the opportunity to bring this back before the Board or call a special meeting in February. Chairman Bailey concurred.

A MOTION WAS MADE BY BOARD MEMBER MEEKS AND SECONDED BY BOARD MEMBER DURDEN TO TABLE RESOLUTION 2017-01-03 UNTIL THE NEXT MEETING.

THE MOTION PASSED 6-0-3 (GREY, GIBBS AND MEEKS)

III. ADJOURNMENT

There being no further business, Chair Bailey adjourned the meeting at approximately 3:52 p.m.

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



Downtown Investment Authority
Board Meeting

Ed Ball Building
214 North Hogan Street, 8th Floor, Room 851
Wednesday, January 18, 2016 - 2:00 p.m.

DIA REGULAR MEETING

MEETING MINUTES

Board Members Present: Jim Bailey, Chairman; Jack Meeks, Vice Chairman; Oliver Barakat; Brenna Durden; Craig Gibbs; Dane Grey, Ron Moody, Marc Padgett and Kay Harper-Williams

Board Members Absent: None

Council President: Lori Boyer

Mayor's Staff: Johnny Gaffney, Office of the Mayor

DIA Staff: Aundra Wallace, DIA Chief Executive Officer; Guy Parola, DIA Development Manager; Tom Daly, DIA Development Analyst; and Jim Klement, DIA Development Coordinator;

Office of General Counsel: John Sawyer

I. CALL TO ORDER

Chairman Bailey convened the meeting at 3:52 p.m.

II. ACTION ITEMS

A. December 14, 2016 Board Meeting Minutes

A MOTION WAS MADE BY BOARD MEMBER GREY AND SECONDED BY BOARD MEMBER DURDEN APPROVING RESOLUTION 2016-12-04.

THE MOTION PASSED UNANIMOUSLY 9-0-0.

B. RESOLUTION 2017-01-04 SOUTHBANK APARTMENT VENTURES

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) RESCINDING RESOLUTION 2016-10-02 AND MAKING AVAILABLE FOR RE-ALLOCATION TWO HUNDRED AND SEVENTY-FIVE (275) MULTI-FAMILY UNITS OF PHASE I DEVELOPMENT RIGHTS WITHIN THE SOUTHSIDE COMPONENT AREA OF THE CONSOLIDATED DOWNTOWN DEVELOPMENT OF REGIONAL IMPACT (“DRI”); ALLOCATING UP TO THREE HUNDRED (300) MULTI-FAMILY UNITS OF PHASE I DEVELOPMENT RIGHTS WITHIN THE SOUTHSIDE COMPONENT AREA OF THE CONSOLIDATED DOWNTOWN DRI TO SOUTHBANK APARTMENT VENTURES, LLC (“DEVELOPER”), TO BE UTILIZED ON DUVAL COUNTY TAX PARCEL 080281 0020 (“PROPERTY”);

FINDING THAT THE ALLOCATION OF UP TO THREE HUNDRED (300) MULTI-FAMILY UNITS OF PHASE I DEVELOPMENT RIGHTS IS CONSISTENT WITH THE DIA'S BUSINESS INVESTMENT AND DEVELOPMENT PLAN ("BID 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.

Mr. Parola provided a summary of Resolution 2017-01-04.

Steve Diebenow was present.

A MOTION WAS MADE BY BOARD MEMBER MEEKS AND SECONDED BY BOARD MEMBER MOODY APPROVING RESOLUTION 2017-01-04 APPLICATION 2016-003. THE MOTION PASSED UNANIMOUSLY 7-0-0.

C. JTA SKYWAY UPDATE

Brad Thoburn provided the JTA Skyway Presentation Update.

Public Comments

Dick Jackson commented about his passion about the skyway.

III. CHIEF EXECUTIVE OFFICER REPORT

CEO Wallace asked Ryan Hoover from Vestcor to provide a quick overview of the Lofts of LaVilla.

CEO Wallace provided the financial reports of the DIA FY 2016/2017 adopted budget, Southbank and Northbank TIF. Board Member Barakat asked the board to start thinking about funding in the next three (3) years as it may not be as plentiful as it was a few years ago.

IV. DDRB BRIEFING

Jim Klement provided a brief summary of the agenda items for Thursday, January 19, 2017. The DDRB will meet on the first floor of the Ed Ball Building.

V. OLD BUSINESS

CEO Wallace and Vice Chairman Meeks have been conversing about the topic of homelessness downtown. The Administration is also addressing the issue as well and City Council also assigned Councilman Newby to that committee.

Board Member Durden discussed DIA allocating development rights when the project has not finished going through DDRB for conceptual design. She suggested adding this item to a workshop topic for Board Member Meeks to Chair. CEO Wallace stated if a workshop takes place, he would prefer that it be called a Real Estate Development Process workshop between the DIA and DDRB.

VI. NEW BUSINESS

CEO Wallace polled the Board Members for a regular meeting on February 1, 2017 at 9:00 a.m. If seven (7) members are available, the meeting will be set.

VII. PUBLIC COMMENTS

None

There being no further business, Chair Bailey adjourned the Downtown Investment Authority Board Meeting at approximately 5:10 p.m.

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

RESOLUTION 2017-01-01

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) BOARD OF DIRECTORS INSTRUCTING THE DIA CHIEF EXECUTIVE OFFICER, THROUGH THE OFFICE OF PUBLIC PARKING, TO TAKE ALL NECESSARY ACTION TO EFFECTUATE A PUBLIC PARKING AGREEMENT WITH THE FLORIDA DEPARTMENT OF TRANSPORTATION (“FDOT”) FOR USE, OPERATION AND MANAGEMENT OF CERTAIN SURFACE PARKING FACILITIES WITHIN FDOT RIGHT-OF-WAY AS ILLUSTRATED BY EXHIBIT ‘A’; AUTHORIZING THE EXPENDITURE OF UP TO \$575,000 OF SOUTHSIDE TID FUNDS FOR IMPROVEMENTS NECESSARY FOR USE OF THE AFOREMENTIONED SURFACE PARKING FACILITIES; REQUESTING THAT THE JACKSONVILLE CITY COUNCIL VIA RESOLUTION OR ORDINANCE EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the DIA is the economic development agency for Downtown Jacksonville;
and

WHEREAS, the Office of Public Parking is within the DIA; and

WHEREAS, additional public parking is necessary to promote further private investment and redevelopment within the Southbank of Downtown; and

WHEREAS, additional public parking is necessary to promote use of the Southbank Riverwalk and other public facilities; and

WHEREAS, in order to use the surface parking facilities identified in Exhibit ‘A’ there may be necessary improvements requiring the expenditure of funds from the Southside TID (e.g. striping, lighting, payment kiosks, etc.); and

WHEREAS, the DIA Board of Directors and City Council have appropriated \$575,000 from the Southside TID for improvements as follows:

- \$550,000 from fiscal year 2015-16; and
- \$25,000 from fiscal year 2016-17, 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 Board of Directors instructs its CEO, through the Office of Public Parking, to effectuate a Public Parking Agreement or functional equivalent, with FDOT for use, operation and management of certain surface parking facilities within FDOT right-of-way.

Section 3. The DIA Board of Directors authorizes the expenditure of up to \$575,000 from the Southside TID to be used for parking facility improvements within the surface lots identified in Exhibit 'A'.

Section 4. The DIA Board of Directors request that City Council, through the adoption of a Resolution or Ordinance, effectuate the purpose of this Resolution 2017-01-01.

Section 5. This Resolution, 2017-01-01, shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

James Bailey, Chairman

Date

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

FORM APPROVAL:

Office of General Counsel

Exhibit is not ADA-compliant but is available upon request via the DIA contact form or a public records request. We appreciate your patience.

Note: The City of Jacksonville and the Downtown Investment Authority are committed to making its website compliant with all state and federal laws, as well as accessible to as many people as possible. The City is currently developing a procedure to make all documents posted on the City's website readable via screen reader. **In the meantime, public records that are not currently accessible via screen reader will not be posted to the City's website but remain available pursuant to a public records request.** To submit a public records request online visit [MyJax](#) or call (904) 630-CITY and provide a description of the documents being requested. For documents requiring screen reader compatibility requests will be directed to the originator of the correspondence.

RESOLUTION 2017-01-02

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY AUTHORIZING THE CHIEF EXECUTIVE OFFICER (THE “CEO”) TO NEGOTIATE AN ECONOMIC DEVELOPMENT AGREEMENT AUTHORIZING A MARKET RATE MULTI-FAMILY HOUSING RECAPTURE ENHANCED VALUE GRANT (“REV GRANT”) BETWEEN THE DOWNTOWN INVESTMENT AUTHORITY AND VENTURES DEVELOPMENT GROUP, LLC; AUTHORIZING THE CEO OF THE DOWNTOWN INVESTMENT AUTHORITY TO EXECUTE SUCH AGREEMENT; PROVIDING AN EFFECTIVE DATE.

WHEREAS, Ventures Development Group, LLC (“Ventures” or the “Developer”) currently have the property commonly known as the Hines property with a street address of 0 Prudential Avenue, located within the boundaries of the Southbank CRA, under contract for purchase; and

WHEREAS, the Developer proposes to build a residential apartment complex on the site located at 0 Prudential Avenue. The new proposed rental apartment facility will include 300 residential rental units. Collectively the project will result in the investment of approximately \$62.3 million for the construction of the rental apartment facility and associated improvements; and

WHEREAS, the increased private capital investment totaling \$62.3 million in real property will increase the county ad valorem tax base over the useful life of the assets and meets the existing CRA Plan Multi-family REV Grant guidelines; and

WHEREAS, to assist Ventures, or a to be formed subsidiary, to increase the amount of residential units in Jacksonville will require financial assistance from the Downtown Investment Authority; and

WHEREAS, to assist Ventures, or a to be formed subsidiary, to increase the amount of residential units in Jacksonville the DIA determines the entire Southbank CRA to be a Strategic Housing Area as defined in the BID Plan; and

WHEREAS, the Downtown Investment Authority (“DIA”) is authorized per section 55.108 *Economic Development* of the City Ordinance Code, to utilize the Tax Increment Finance District Trust Funds to foster the redevelopment of the Downtown Southbank Community Redevelopment Area; and

WHEREAS, the Downtown Investment Authority (“DIA”) is authorized per section 55.108(8)-(9)(b) *Economic Development* of the City Ordinance Code, to implement the BID Plan, grant final approval of redevelopment agreements, without further action of Council, in furtherance of the BID Plan; and

WHEREAS, DIA is proposing a REV Grant up to 75% of the incremental increase in the county portion of ad valorem taxes generated from their proposed private capital investment of up to \$62.3 million for fifteen (15) years not to exceed \$7,880,000, and the REV Grant is consistent with the DIA Market Rate Multi-Family Housing REV Grant set forth in the Bid Plan; and

WHEREAS, the REV Grant annual payments will be funded through the Southside Tax Increment Finance District Trust Fund; and

WHEREAS, the proposed City of Jacksonville REV Grant incentive is a material factor in assisting Ventures, or a to be formed subsidiary, to expand its residential rental capacity in Jacksonville within the Southbank of downtown.

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 to negotiate an Economic Development Agreement, authorizing the REV Grant as described above.

Section 3. Authorizing the CEO of the Downtown Investment Authority to execute said agreements subject to the terms as described above.

Section 5. This Resolution, 2017-01-02, shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

James Bailey, Chairman

Date

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

FORM APPROVAL:

Office of General Counsel

RESOLUTION 2017-01-03

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY SUPPORTING THE EXECUTION OF A COMMERCIAL REVITALIZATION INCENTIVE AGREEMENT BETWEEN THE DOWNTOWN INVESTMENT AUTHORITY, GV-IP CAPITAL PARTNERS, LLC, AND OPAL ACQUISITION, INC. DBA ONE CALL CARE MANAGEMENT; AUTHORIZE CEO OF THE DOWNTOWN INVESTMENT AUTHORITY TO NEGOTIATE THE COMMERCIAL REVITALIZATION INCENTIVE AGREEMENT; AUTHORIZING THE CEO OF THE DOWNTOWN INVESTMENT AUTHORITY TO EXECUTE SUCH AGREEMENTS.

WHEREAS, Opal Acquisition, Inc. dba One Call Care Management (“One Call”) (the “Tenant”) is seeking to consolidate a substantial number of jobs from within Jacksonville and from outside of Florida. The Tenant proposes to relocate its Jacksonville offices to the 841 Prudential Drive, owned by GV-IP Capital Partners, LLC (the “Landlord”); and

WHEREAS, the Landlord has informed the DIA staff that it will be losing a significant tenant by August 31, 2017, which will vacate 165,000 sq. ft. The Landlord has been working with the DIA to develop an incentive to assist in finding tenants to offset the impending vacancy; and

WHEREAS, the Tenant is seeking a Commercial Revitalization Incentive to assist in paying for the costs of relocating to 841 Prudential Drive, and occupying an additional 83,000 sq. ft of office space and making \$3 million in tenant improvements and building upgrades, and expanding the existing workforce to 1,175 employees at this location; and

WHEREAS, the Downtown Investment Authority (“DIA”) is authorized per section 55.108 *Economic Development* of the City Ordinance Code, to utilize the Tax Increment Finance District Trust Funds to foster the economic development of the Downtown Southside Community Redevelopment Area; and

WHEREAS, the DIA may utilize TID funding for economic development projects without further approval from City Council as set forth in 55.108(a)-(9)(b); and

WHEREAS, the proposed project positively impacts the following BID Plan Goals:

- Goal 1 Reinforce Downtown as the City’s unique epicenter for business, by positively impacting the number of jobs and class A office vacancy rate benchmarks; and
- Goal 3 Simplify the approval process for downtown development by positively impacting the Tax Value of the Southside TID and increasing the annual private capital investments; and

WHEREAS, to assist Tenant in completing their move into Downtown Jacksonville the DIA proposes to provide a Commercial Revitalization Grant in an amount not to exceed \$1,000,000, paid annually in arrears in installments of \$100,000, to the Landlord; and

WHEREAS, the financial assistance to the project, and conditions precedent to receiving each installment payment, will be in the form as detailed on the Term Sheet attached hereto as Exhibit "A"; and

WHEREAS, the proposed Commercial Revitalization Grant will be funded through the Southside TIF Fund; **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. Authorizing the CEO of the Downtown Investment Authority to negotiate a Commercial Revitalization Incentive Agreement with the Landlord, and Tenant.

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

Section 4. This Resolution, 2017-01-03, shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

James Bailey, Chairman

Date

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

FORM APPROVAL:

Office of General Counsel

TERM SHEET

Project Name: 841 Prudential Drive

Developer/ Applicant: GV IP Jacksonville Owner, LLC & Opal Acquisition, Inc. dba One Call Care Management

City Funding: **\$1,000,000** (through the City of Jacksonville Downtown Investment Authority) over 10 years

Breakdown:

Infrastructure: No City of Jacksonville infrastructure funding or support is requested.

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

CRP Grant: The project is seeking a Commercial Revitalization Grant, a contractual obligation of the DIA, calculated as 20.25% of the real property taxes generated by the project for the Term of ten (10) years. Based upon the calculation the CRP Grant will have an annual payment of \$100,000. The cumulative Grant payments over the Term of the Grant shall in no instance exceed \$1,000,000.

The Grant is for the replacement of AETNA Insurance operations which will be vacating the Downtown Jacksonville area by August 31, 2017. The loss of AETNA and its approximately 850 employees will result in an estimated loss of revenue into the Southside TIF of \$150,000 annually. Additionally the loss of AETNA results in approximately 165,000 sq. ft. of class A office space becoming vacant.

Grants: None.

Loans: None.

Preconditions to receipt of Grant funding: The Landlord and Tenant will enter into an Economic Development Agreement with the DIA. Such agreement will contain the following commitments by the Landlord and Tenant as conditions precedent to receiving the Grant Annual Payment from the Southside Tax Increment Trust Fund:

- The Grant will be conditioned to the Developer receiving from the Applicant the following:
- a. An annual certification that the previous year's annual employment was equal to or greater than 1,175 total jobs located at this building site (the Grant shall be pared down on a pro rata basis for total jobs certified as between 1,175 and 900); and
 - b. No less than 900 total jobs located at the building site (the annual installment payment will not be made for years in which the annual certified number of jobs is 899 or less); and
 - c. The documentation from the Building Owner that the Applicant at no time during the prior year leased less than 130,000 sq. ft. at building site.

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

Downtown Investment Authority review of the development and construction timelines; and

These proposed financial terms are subject to and contingent upon the approval of the Downtown Investment Authority.

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).

This Term Sheet expires and becomes void if not executed by the Parties by February 3, 2107.

Additionally, this Term Sheet expires and all the terms contained within become void upon April 1, 2017, unless extended in writing by the parties.

(The remainder of this page left intentionally blank)

(Signature Page to Follow)

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

Aundra C. Wallace its CEO

Accepted on behalf of Tenant by

Print Name:

Its (print Officer Title): _____

Accepted on behalf of Landlord by

Print Name:

Its (print Officer Title): _____

DRAFT

RESOLUTION 2017-01-04

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) RESCINDING RESOLUTION 2016-10-02 AND MAKING AVAILABLE FOR RE-ALLOCATION TWO HUNDRED AND SEVENTY-FIVE (275) MULTI-FAMILY UNITS OF PHASE I DEVELOPMENT RIGHTS WITHIN THE SOUTHSIDE COMPONENT AREA OF THE CONSOLIDATED DOWNTOWN DEVELOPMENT OF REGIONAL IMPACT (“DRI”); ALLOCATING UP TO THREE HUNDRED (300) MULTI-FAMILY UNITS OF PHASE I DEVELOPMENT RIGHTS WITHIN THE SOUTHSIDE COMPONENT AREA OF THE CONSOLIDATED DOWNTOWN DRI TO SOUTHBANK APARTMENT VENTURES, LLC (“DEVELOPER”), TO BE UTILIZED ON DUVAL COUNTY TAX PARCEL 080281 0020 (“PROPERTY”); FINDING THAT THE ALLOCATION OF UP TO THREE HUNDRED (300) MULTI-FAMILY UNITS OF PHASE I DEVELOPMENT RIGHTS IS CONSISTENT WITH THE DIA’S BUSINESS INVESTMENT AND DEVELOPMENT PLAN (“BID 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.

WHEREAS, pursuant to Ordinance 2014-0560-E, DIA is the “Master Developer” with respect to the Consolidated Downtown Development of Regional Impact (“DRI”) Development Order; and

WHEREAS, a Business Investment and Development Plan (“BID Plan”) has been adopted, which includes an update of the North Bank and Southside Community Redevelopment Area (“CRA”) Plan for Downtown; and

WHEREAS, via Resolution 2016-10-02 the DIA allocated to Southbank Apartment Ventures, LLC, up to two hundred seventy-five (275) multi-family units of Phase I development rights from the Southside Component Area of the Consolidated Downtown DRI; and

WHEREAS, DIA and Southbank Apartment Ventures, LLC, did not enter into an Allocation of Development Rights Agreement; and

WHEREAS, Southbank Apartment Ventures, LLC has requested an allocation of an additional twenty-five (25) multi-family units Phase I development rights from the Southside Component Area of the Consolidated Downtown DRI, for a revised total allocation of up to three hundred (300) multi-family units; and

WHEREAS, the allocation of the additional units, the time that has elapsed since the previous allocation of development rights, and other changes to project time lines and requirements necessitate the rescinding of Resolution 2016-10-02; and

WHEREAS, with the rescinding of Resolution 2016-10-02 there are sufficient remaining multi-family Phase I development rights within the Southside Component Area of the Consolidated Downtown DRI to accommodate the allocation; and

WHEREAS, the allocation is consistent with the BID Plan, with specific furtherance of Redevelopment Goal 2 of Downtown's North Bank and Southside Community Redevelopment Area Plans, which reads:

Redevelopment Goal 2: Increase rental and owner-occupied housing downtown, targeting key demographic groups seeking a more urban lifestyle, 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 hereby rescinds Resolution 2016-10-02, making available the previously allocated two hundred and seventy-five (275) multi-family units of Phase I development rights from the Southside Component Area of the Consolidated Downtown DRI.

Section 3. DIA allocates up to three hundred (300) units of Phase I multi-family development rights from the Southside Component Area of the Consolidated Downtown DRI for use on the Property, subject to the following provisions:

- A. The allocation becomes effective upon acquisition of the Property by Developer, providing further that prior to assigning these development rights Southbank Apartment Ventures, LLC will notify DIA of any assignee. Any assignment of the Allocation rights authorized hereby shall be subject to the approval of the Chief Executive Officer of the DIA ("CEO"), not to be unreasonably withheld, conditioned, or delayed. Any such assignee shall provide documentation and other information as reasonably requested by the CEO demonstrating it has the experience and financial capability of completing the development of the Property.
- B. Should Developer fail to close on the Property within nine (9) months year from the effective date of this Resolution, this Resolution and the allocation of rights authorized hereby shall automatically become null and void without further

action. The CEO may, at his sole discretion, extend this deadline by ninety (90) days for show of good cause by the Developer.

- C. If the Developer fails to acquire a building permit for vertical construction on the Property within eighteen (18) months from effective date of this Resolution, this Resolution and the allocation of rights authorized hereby shall become null and void without further action. The CEO may, in his sole discretion, extend this deadline by ninety (90) days for show of good cause by Developer.
- D. Should the Developer fail to commence vertical construction within twenty-four (24) months from the effective date of this Resolution, this Resolution and the allocation of rights authorized hereby shall become null and void without further action. The CEO may, in his sole discretion, extend this deadline by ninety (90) days for show of good cause by Developer.
- E. Should Developer fail to meet any of the deadlines identified in A through D above, the development rights will revert back to the DIA without further action by DIA or the City of Jacksonville.
- F. Any unused development rights authorized hereby existing after the final Certification of Occupancy or its functional equivalent has been issued for the Property, will revert back to the DIA without further action by DIA or the City of Jacksonville.
- G. Subject to the review and approval by the Downtown Development Review Board (“DDRB”), Developer shall design and install a twelve (12) foot wide multi-use path with four-foot (4’) wide landscaping strips on either side, for a total width of twenty feet (20’). This multi-use path shall run across the Property from Prudential Drive to the Riverwalk abutting the Property, in a location to be determined by Developer, subject further to the review and approval of DDRB. Developer will grant to the City a pedestrian access easement over the multi-use path to run with the Property deed in perpetuity. Specific terms of the easement are subject to review and approval by the City’s Office of General Counsel, Risk Management Department, and the Department of Public Works.
- H. Subject to the review and approval by DDRB, Developer shall expand the existing portion of the Riverwalk along the south bank of the St. Johns River running through the Property from its current width of eight feet (8’) to a total width of twenty feet (20’). Developer will grant to the City a pedestrian access easement over the Riverwalk to run with the Property deed in perpetuity. Specific terms of the easement are subject to review and approval by the City’s Office of

General Counsel, Risk Management Department, and the Department of Public Works.

- I. The Developer will construct or cause to be constructed, at their expense, the Riverwalk expansion and multi-use path identified in Sections 2.G and 2.H of this Resolution. The Riverwalk and multi-use path shall be of a color scheme and materials to complement existing portions of the Southbank Riverwalk such that it is obvious that the Riverwalk and path are for the benefit of and open to the public. At Prudential Drive there shall be double sided wayfinding signage with directions to the Riverwalk and Prudential Drive. Final design shall be subject to Downtown Development Review Board approval.
- J. Upon request by DIA staff, Developer will assist DIA in utilizing the land use conversion mechanism identified in the Consolidated Downtown DRI Development Order for the conversion of Southside Component Area Phase I non-residential entitlements to multi-family entitlements. At a minimum, assistance is to include the funding of a traffic study in accordance with the requirements of the Consolidated Downtown DRI Development Order in an amount not to exceed \$10,000.00.

Section 4. The Chief Executive Officer is hereby authorized to execute the contracts and documents and otherwise take all necessary action in connection therewith to effectuate the purposes of this Resolution.

Section 5. The Effective Date of this Resolution is the date upon execution of the Resolution by the Chairman of the DIA.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

James Bailey, Chairman

Date

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

FORM APPROVAL:

Office of General Counsel