



**COMMUNITY REDEVELOPMENT AGENCY  
ANNUAL REPORT: 2019-2020**



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**Downtown Investment Authority of the City of Jacksonville  
Community Redevelopment Agency  
Annual Report: Fiscal Year 2019-2020**

## **Introduction and Background**

### **Required Report and Records**

Pursuant to Chapter 163 of the Florida Statutes, each Community Redevelopment Agency (CRA) of the City of Jacksonville must file with the governing body on or before March 31st of each year, a report of its activity for the preceding fiscal year. The report shall include a complete financial statement setting forth its assets, liabilities, income, and operating expenses as of the end of such fiscal year. Once completed, the FY 2019-2020 CRA Annual Report is filed with the City Council and available for review in the office of the Downtown Investment Authority (DIA) and on the DIA website at ([dia.coj.net/about](http://dia.coj.net/about)).

### **CRA Process**

The City of Jacksonville follows the process of creating Community Redevelopment Areas (CRA) as established in Florida Statute 163, Part III. The process for creating a CRA is well defined. It must detail the deficiencies in the area meeting the statutory definition of blight, provide a Community Redevelopment Plan for eliminating the blight and establish a Tax Increment Financing District (TIF) as an ongoing revenue source to support the projects described in the Plan. Tax increment financing is a unique tool available to cities and counties for redevelopment activities. It is used to leverage public funds to promote private sector activity in the targeted area. A broad overview of the process is outlined below.

1. **Finding of Necessity** – Blight is measured by meeting at least two of 15 criteria as defined in the statute and supported with government maintained statistics or other studies.
2. **Community Redevelopment Plan** – A master plan must be developed as the blueprint for solving the boundary area deficiencies. The CRA Plan will provide the guidelines for land acquisition, investment, development, redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the CRA; zoning and planning changes, if any; land uses; maximum densities; building requirements, elementary schools in the area, housing, newly created office and retail, improved traffic, public transportation, public utilities, recreational and community facilities.

Examples of traditional projects include streetscapes and roadway improvements, building renovations, new building construction, flood control initiatives, water and sewer improvements, parking lots and garages, neighborhood parks, sidewalks and

street tree plantings. The plan can also include redevelopment incentives such as grants and loans for such things as façade improvements, sprinkler system upgrades, signs, and structural improvements. The redevelopment plan is a living document that can be updated to meet the changing needs within the Community Redevelopment Area; however, the boundaries of the area cannot be changed without starting the process from the beginning.

3. **Tax Increment Financing District (TIF)** -- A CRA is a dependent special district in which any tax revenues resulting from future increases in property values are set aside to support economic development projects within that district. These incremental tax revenues are commonly used to focus on economic development within a particular community that is in decline and funding sources for such revitalization are challenged. This is accomplished by establishing a Tax Increment Financing (TIF) district. If the type of improvement is listed in the adopted Community Redevelopment Area Plan, TIF dollars may be used as a revenue source for such a project providing the project meets Community Redevelopment Area Plan criteria.

### **Background**

Pursuant to the provisions of Chapter 163, Part III, Florida Statutes, on June 28, 2012, the City Council declared the Downtown Investment Authority (the “DIA”) as the Community Redevelopment Agency (CRA) for the Combined Northbank, and the Southside CRAs, when it approved Ordinance 2012-364-E. The Ordinance also codified the determination that the DIA would be the redevelopment agency to implement the revitalization of the Community Redevelopment Area Plans for two active CRAs located in Downtown Jacksonville.

This action transfers the rights, powers, duties, privileges and immunities invested in the DIA acting as the CRA. The CRA as an agency exists until dissolved by action of the City Council. The DIA has direct oversight of redevelopment activities in both redevelopment areas. The DIA is governed by a Nine (9) Member Governing Board, whose members are selected, for four-year terms, in combination by the Mayor’s office — which selects five (5) DIA Board Members and the City Council — which selects four (4) DIA Board Members. The DIA Board typically meets on a monthly basis and all meetings are publicly noticed and open to the public via in person or virtual attendance.

Further, on February 20, 2015, via Ordinance 2014-560-E, the City Council, as Governing Body for the DIA CRAs, approved updated and amended Community Redevelopment Plans for both the Northbank and Southside CRAs.

The Plans outline the following Seven (7) Goals for both CRAs:

**Goal 1:** Reinforce Downtown as the City’s unique epicenter for business, history, culture, education, and entertainment.

**Goal 2:** Increase rental and owner-occupied housing downtown, targeting key demographic groups seeking a more urban lifestyle.

**Goal 3:** Simplify the approval process for downtown development and improve departmental and agency coordination.

**Goal 4:** Improve walkability/bikeability and connectivity to adjacent neighborhoods and the St. Johns River while creating highly walkable nodes.

**Goal 5:** Establish a waterfront design framework to ensure a unique experience and sense of place.

**Goal 6:** Maintain a clean and safe 24-7 Downtown for residents, workers, and visitors.

**Goal 7:** Use planning and economic development policies to promote design for healthy living.

### **Community Redevelopment Plan Implementation**

Each redevelopment area has its own Community Redevelopment Plan unique to each area with its specific needs and deficiencies that has been adopted by the City Council through the legislative process. The purpose of the Plans are to identify policies, strategies and goals that will remedy the conditions of blight that have been determined to exist within the Community Redevelopment Area and clearly stated in the Finding of Necessity. The strategies in all plans include short-term and long-term capital improvements, economic development and planning projects aimed at stimulating growth, creating jobs, and expanding the tax base through the redevelopment of the Community Redevelopment Areas.

Tax Increment Finance (TIF) districts were established at the time the Community Redevelopment Plans were adopted, pursuant to the Community Redevelopment Act (Florida Statutes 163.387). No TIF revenues may be expended unless those funds are expended in accordance with an adopted Community Redevelopment Plan for the specific redevelopment area and approved by the CRA Board.

The CRA Plans for the two (2) Downtown CRAs, the Northbank and Southside respectively, are encompassed in a larger Business and Investment Development Strategy Plan (the 'BID Plan"). Section 6 and Section 7 of the BID Plan identify the projects and initiatives for the Northbank and Southside as well as identify the key attributes of Downtown's physical character and demographics including population, income, current and planned land use, housing, parks and open space system, community facilities, proposed development projects, an overview of Downtown's neighborhoods and districts, and historically significant structures.

### **The Northbank CRA Plan (Section 6 of the BID Plan)**

#### ***Projects/Initiatives***

While the following projects/initiatives do not represent all of the efforts that the DIA and the City will undertake throughout the life of the CRA Plan, they do represent initial priorities identified through the comprehensive public and stakeholder outreach that were included in the CRA Plan.

- Retail Enhancement Grant Program
- Urban Art Façade and Streetscape Program
- James Weldon Johnson Park Management
- Hogan Street Plaza
- Improved Wayfarer Signage
- Liberty Street Improvements
- Bay Street Improvements
- Pearl Street Improvements
- Reinforce Branding of E Town Zone as “The Elbow”
- Reintroduce Two-Way Street System
- National Historic District Designation
- Artists Live/Work Implementation Strategy
- Housing Incentive Program
- St. Johns River & Tributary Access
- Park Once
- Northbank East-West Circulator
- Improve Links from Emerald Necklace to the St. Johns River
- “Riverwalk Project” Informational & Wayfinding App
- Landmark Public Park on the St. Johns River
- LaVilla Catalyst Site
- Former Duval County Courthouse Catalyst Site
- Snyder Memorial Church Catalyst Site
- James Weldon Johnson Park Improvements

### **The Southside CRA Plan (Section 7 of the BID Plan)**

#### ***Projects/Initiatives***

While the following projects/initiatives do not represent all of the efforts that the DIA and the City will undertake throughout the life of the CRA Plan, they do represent initial priorities identified through the comprehensive public and stakeholder outreach that were included in the CRA Plan.

- Riverplace Boulevard Road Diet
- St. Johns River & Tributary Access
- Redesign Friendship Park
- Housing Incentive Programs
- Landmark Public Park on the St. Johns River
- Southbank Catalyst Site
- National Historic District Designation

### **Business Investment and Development Plan (BID Plan) Update**

As required by Section 55.108(7) of the ordinance Code, every five (5) years, the DIA Board shall review the BID Plan and either update the BID Plan in its entirety or update the business investment strategy element and the community redevelopment plan element of the BID Plan separately, at different times, subject to City Council approval. The Board shall also have the discretion to either adopt community redevelopment plans for Downtown in its entirety which such plans shall include both a Southside CRA and Northbank CRA, or to adopt separate plans at different times, subject to City Council approval.

In August 2020, the DIA issued an RFP seeking a consultant or consultant team to update the Downtown Design Guidelines, develop a Parks Master Plan, develop a Branding Plan and update the BID Plan and its elements. From a list of four (4) respondents, the DIA selected Community Solutions Group to begin work in October. The BID Plan update is expected to be completed by the summer of 2021, and submitted to the City Council for approval.

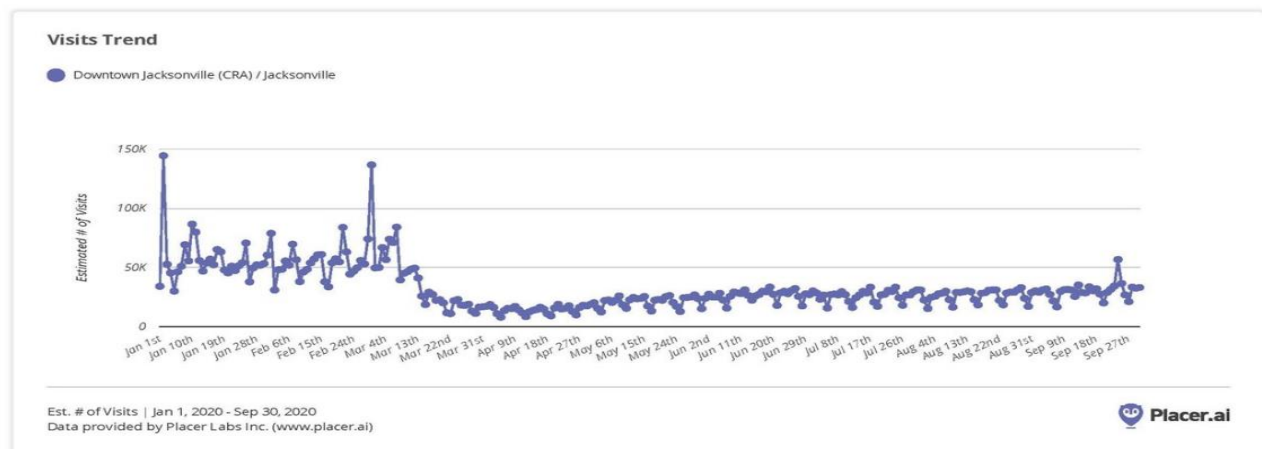
## DIA Overview for 2019-2020

Administration: Between October 1, 2019 and January 30, 2020, the DIA filled the following four vacant (of eight authorized) positions: Director of Downtown Real Estate and Development, Contract and Regulatory Compliance Manager, Communication and Marketing Specialist, and Downtown Development Coordinator.

DIA Website: In August, the DIA launched a months in the making newly designed website at [dia.coj.net](http://dia.coj.net). The new site features a streamlined, modern design, improved functionality, and easy access to essential information to help developers, investors, business owners and the public obtain desired information and make well-informed decisions when investing in Downtown Jacksonville. The site was designed with many new features to help users quickly and easily navigate the site and find the information they need, including: a database on City-owned parcels available for redevelopment, new program information—such as the Targeted Food and Beverage (FAB-REP) and Façade Grant programs, and other tools and resources useful in working with the DIA and the Downtown Development Review Board.

COVID-19 Pandemic: On March 13, 2020, the Mayor declared a state of emergency for the consolidated City of Jacksonville due to COVID-19. Various directives followed including the closing of public buildings and non-essential employees to work from home. Upon the Governor’s issuance of Executive Order 20-69 (which suspended any statute requiring a in-person quorum to be present) the DIA Board began holding virtual meetings starting in April.

As anticipated, the pandemic had a severe impact on the number of workers and visitors present in Downtown – which in turn adversely impacted the sales of lodging, retail, restaurant and beverage establishments located within the CRA’s. In an attempt to assist businesses struggling from the effects of the pandemic, the DIA Board approved a waiver of certain performance requirements for outstanding forgivable loans and the City authorized \$5.3 million in CARES Act funding for residential and commercial rent and mortgage relief. A phased reopening of public buildings and the return to work by employees began in May, and all DIA employees had returned to full work weeks in the DIA office by mid-June.



**Jan 1-Mar 13 (Pre-COVID)**  
**56,199 avg. daily visits**

**Mar 14 - Sept 30 (COVID)**  
**23,671 avg. daily visits**



**Downtown Investment Authority Governing Board as of September 30, 2020**

Name	Appointed By	Appointment Criteria	Term Expiration	
WILIAM ADAMS	MAYOR	Business Management Experience	06/30/2022	
OLIVER BARAKAT	COUNCIL	Commercial Real Estate Experience	06/30/2023	
JAMES CITRANO	COUNCIL	Business Interest in Northbank CRA	06/30/2023	
TODD FROATS	MAYOR	Banking/Finance Industry Representative	06/30/2022	
CRAIG GIBBS	MAYOR	Business Interest in Southbank CRA	06/30/2020	◆
W. BRAXTON GILLAM	MAYOR	Business Interest in Northbank CRA	06/30/2024	
RON MOODY	COUNCIL	Southbank CRA Representative	06/30/2024	
DAVID WARD	MAYOR	Attorney	06/30/2023	
CAROL WORSHAM	COUNCIL	Urban Planner	06/30/2022	

◆ Board Members with expired terms holdover until a replacement has been confirmed by the City Council.



Ron Moody  
Chairman



W. Braxton Gillam  
Vice Chairman



Carol Worsham  
Secretary



William Adams



Oliver Barakat



Jim Citrano



Todd Froats



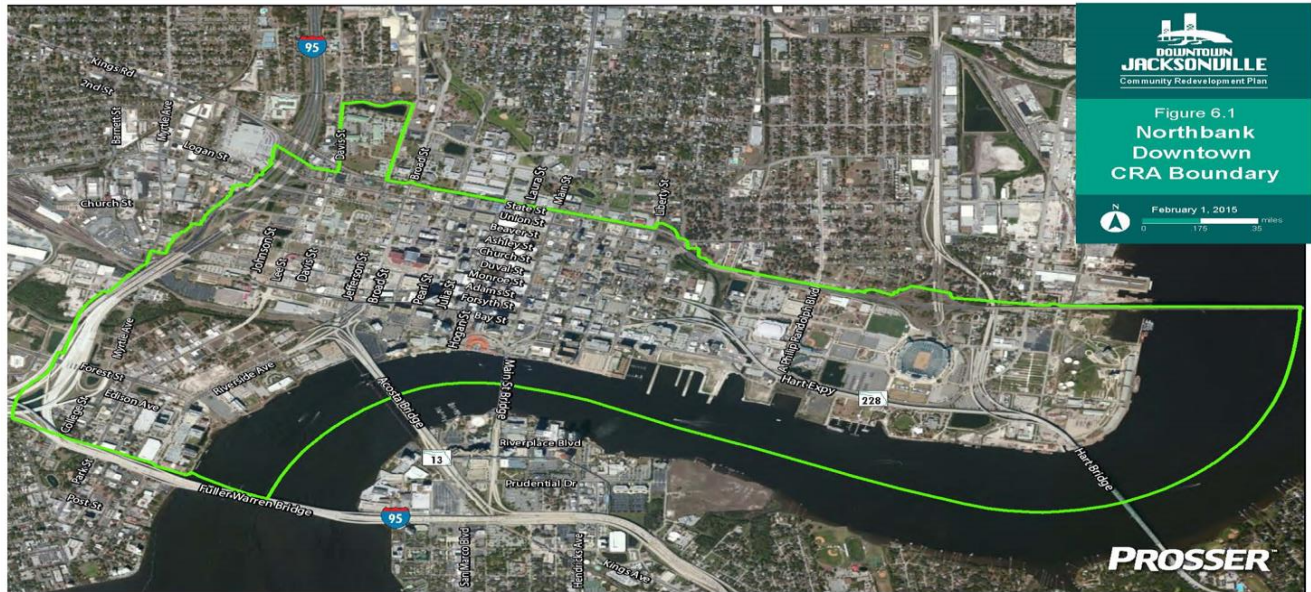
Craig Gibbs



David Ward



# Northbank CRA



## Northbank CRA at a Glance

	Northwest TID	Downtown East TID
CRA Base Year (s)	1981	1984
Base Year Taxable Assessment	\$ 214,636,423	\$ 201,743,546
Current Taxable Assessment	\$ 720,280,442	\$ 485,903,056
Incremental Increase	\$ 505,644,019	\$ 284,159,510
Fiscal 2019/2020 TIF Revenue (Pending financial review and audit)	\$ 5,619,545	\$ 3,142,573

## Northbank CRA Project and Program Highlights for 2019-2020

### USS Orleck (New Project)

The DIA Board authorized the negotiation of a Development Agreement and License Agreement (to be approved in legislation by the City Council) with the Jacksonville Historic Naval Ship Association for the relocation of the USS Orleck (DD-886) to Downtown Jacksonville as a floating ship museum at the former Shipyards site. The project will include a ticket booth, museum gift shop and restrooms. Because of the future development potential of the Shipyards site, this project will be designed with consideration to portability and subject to a ninety-day relocation notice provision.

### Targeted Food and Beverage Retail Enhancement Program (New Program)

The DIA Board approved a Targeted Food and Beverage Retail Enhancement Program (FAB-REP) that expands upon the existing Retail Enhancement Program. FAB-REP was designed to revitalize business corridors and underutilized or vacant buildings with a focus on food and beverage establishments within the Northbank Core Retail Enhancement Area.



The FAB-REP program creates two distinct districts (The Elbow and areas contiguous to both Hogan Street and Laura Street) that will provide concentrated areas of dining and entertainment opportunities that are visible from the street, open beyond workday hours, and utilize unique place making efforts such as creative lighting, unique public art and

inviting outdoor spaces. These activated streets will provide the urban lifestyle sought by many Downtown residents and promote small businesses by cultivating vibrant retail districts that will attract visitors. Further, by encouraging the location of restaurant and beverage establishments within these specific districts, patrons and business owners alike will benefit from the variety of options and the unique, walkable, and visually connected areas.

This program partners landlords and retailers and provides enhanced incentives in the form of forgivable zero percent interest loans for leasehold improvements, historic preservation and adaptive reuse, as well as sidewalk enhancement (to promote additional outside dining and place making).



**Ford on Bay Disposition (New Project)**

Following the issuance of a Notice of Disposition for the properties that were the former sites of the City Hall Annex and Duval County Courthouse, the DIA Board selected Spandrel Development Partners as the successful respondent and authorized the negotiation of a term sheet for the sale and development of the former Courthouse site.

**Downtown Storefront Façade Grant Program (New Program)**

To promote the improvement of storefronts and activate the streetscape and the overall revitalization of Downtown Jacksonville, the DIA Board approved the Downtown Storefront Façade Grant Program. The program, which will focus on physical improvements to the exterior of buildings, provides grant funding for the improvement of storefront facades including (if applicable) second story façades, located in the Downtown Jacksonville Historic District.

**Ruby Beach Brewery (New Project)**

As the first qualifying FAB-REP applicant, the DIA approved a forgivable five (5) year loan in the amount of \$75,000 for Ruby Beach Brewing Company (tenant) and 228 Forsyth, Inc. (landlord) towards the \$370,000 build out of a commercial microbrewery and brew pub operation with outdoor beer garden located at 228 East Forsyth Street (f/k/a The Letter Shop) and the adjacent parking lot space located at 230 East Forsyth Street.

Ruby Beach Brewing Company is a specialty craft brewery (relocating from a Jacksonville Beach location) that will offer a twenty-four (24) tap rotating lineup of premium, unique microbrews in its tap room. Their brewing operation currently includes distribution to an extensive network of restaurants and has established a strong partnership with Champion Brands to distribute product in Duval and surrounding counties. Ruby Beach Brewing Company will be required to operate at the project location and create or retain five (5) or more full-time jobs for a period of five (5) years.

**Independent Life Building (New Project)**

The DIA Board recommended a \$3 million Downtown Historic Preservation and Revitalization Trust Fund grant toward the \$30 million renovation of the former Independent Life building (located at 233 West Duval Street) by PEP 10, LLC. The DIA Board’s action was subsequently approved in legislation adopted by the City Council. The renovation, pursuant to standards established by the Secretary of the Interior, will result in 140 apartment units, a 21,000 square foot grocery store and 10,000 square feet of restaurant/lounge space.



**Bread & Board (New Project)**

As a qualifying FAB-REP applicant, the DIA Board approved a forgivable five (5) year loan in the amount of \$371,590 for Bread & Board (tenant) and VyStar Credit Union (landlord) towards the \$1.5 million build out of 6,700 square feet of restaurant/lounge space located at 100 West Bay Street. Bread & Board (which also operates locations in Riverside and St. Johns Town Center) will offer a variety of service levels at this location ranging from grab-and-go freshly prepared items to full-time waiter service in the dining room and bar areas. Bread and Board will be required to operate at the project location and create or retain twenty-five (25) or more full-time jobs for a period of five (5) years.



**Downtown Preservation and Revitalization Program (New Program)**

To boost the incentive for historic development and adaptive reuse of historic Downtown buildings, the DIA Board authorized the Downtown Preservation and Revitalization Program (DPRP) (which was approved in legislation by the City Council). The program lifts previous restrictions that no longer meet the financial realities of rehabilitating historic structures. The new program intends to foster the preservation and revitalization of unoccupied, underutilized, and/or deteriorating historic, and qualified non-historic buildings located in Downtown Jacksonville. The DPRP was also designed to serve projects applying for more than \$100,000 - and for code compliance projects - on older buildings that do not have historic landmark status.

**Lofts at Cathedral (New Project)**

The DIA Board approved a low interest twenty (20) year loan for the Lofts at Cathedral project in the amount of \$625,000. Proceeds from the loan will be applied to the \$28.7 million cost of constructing 120 units of multi-family housing (which will include 57 affordable housing units, 27 workforce housing units and 36 market rate units) located at 325-327 East Duval Street. While the loan was originally envisioned as local support for a Jacksonville Housing Finance Authority application, alternative incentives are now under consideration. Construction is anticipated to begin in late 2022.

**Hatfield & Hatfield Façade Grant (New Project)**

As the first qualifying Façade Grant applicant, the DIA approved a grant in the amount of \$7,370 for Hatfield & Hatfield, P.A. towards the \$17,740 cost of replacing the front windows and removing the aging windowsills and glazing of their 5,800 square foot office located at 210 East Forsyth Street.

**FIS Headquarters (Project Update)**



In 2019, the DIA Board recommended an incentive package (which was approved in legislation by the City Council) to induce the construction of a new 376,000 square foot corporate headquarters for FIS in the Brooklyn area of the Northbank CRA. This project will result in the retention of 1216 jobs, the creation of 500 new jobs and capital investment of approximately \$145 million for the construction of the new office building and associated facilities located at 347 Riverside Avenue. The incentive package includes a twenty (20) year 75% Recaptured Enhanced Value (REV) grant (up to \$23.4 million) of the incremental increase in the county portion of ad valorem taxes, a \$3.5 million closing grant and a Qualified Target Industry (QTI) Tax Refund program grant. The QTI

incentive proposed is \$6,000 per job for 500 jobs of which the City's portion is 20% of the award, or \$1,200 per job up to \$600,000 in total. This project commenced construction in August of 2020.

**Guidewell/Blue Cross Blue Shield Parking Garage (Project Update)**

Also in 2019, the DIA Board approved a Notice of Disposition for redevelopment of an underutilized retention pond site at the intersection of Forest and Park Streets. The disposition was awarded to the only respondent, Guidewell, the parent company of Florida Blue, for construction of a \$21 million 750 minimum space parking garage. The DIA agreed to provide the land at no cost, and the City agreed to provide a \$3.5 million closing grant upon completion of the facility as subsequently approved in legislation by the City Council. Upon completion of the garage, execution of Restrictive Covenants and payment of the closing grant, the City will be ensured public access to the entire garage after 6 p.m. on weekdays and for 24 hours on Saturdays, Sundays, and national holidays – thereby providing much needed parking for users of retail and restaurant in the vicinity. This project commenced construction in February of 2020 and was nearing completion at fiscal year-end.





### **Townhomes at LaVilla (Project Update)**

In May of 2019, the DIA received an unsolicited offer for a three block City-owned tract in LaVilla which included a proposal to construct a townhome residential for-sale product on the parcels. Following a thirty (30) day notice of disposition process authorized by the Board, several competing offers were received. As a result, the Board issued a formal Notice of Disposition with evaluation criteria and guidance for development proposals consistent with the recently completed Neighborhood Development Strategy.

Following review of responses and scoring, the DIA Board awarded the disposition to Vestcor Companies for development of an 88 unit townhome project on the site. Vestcor committed to provide: \$100,000 towards the development of Lift Every Voice and Sing Park, \$100,000 towards the development of the adjacent Emerald trail segment, a 20' easement for the trail along the frontage of Lee Street where development parcels abut right-of-way (ROW), and a 14 foot wide paved trail along Lee Street frontage of the park and the development site. In addition to the purchase price for the Land of \$100, the DIA will also receive 75% of the Sales Price on each unit sold in excess of \$250,000.

### **Ryan Companies/JEA Headquarters Disposition (New Project)**

Pursuant to a public bid process, JEA selected a proposal submitted by the Ryan Companies for the construction and leaseback of its new 152,000 square foot corporate headquarters located at 225 North Pearl Street. Ryan Companies submitted an unsolicited proposal to the DIA for acquisition of a City owned block for a purchase price in excess of appraised value. DIA opened a thirty (30) day Notice of Disposition process and ultimately the DIA Board authorized the sale of the property to Ryan Companies for \$2.6 million. The sale closed in June of 2020 and construction commenced in October of 2020.

The project parcel is located in the Central Civic Core and the additional office development in this location furthers the goals of the CRA.



### **Residence Inn (Project Update)**

With an anticipated minimum capital investment of \$17.5 million, the DIA authorized (which was approved in legislation by the City Council) the 180 bed Residence Inn project for a twenty (20) year 75% REV grant (up to \$3.7 million) of the incremental increase of the county portion of ad valorem taxes. Located at 357 Oak Street, construction commenced in October of 2019 and substantial completion is anticipated in June of 2021.

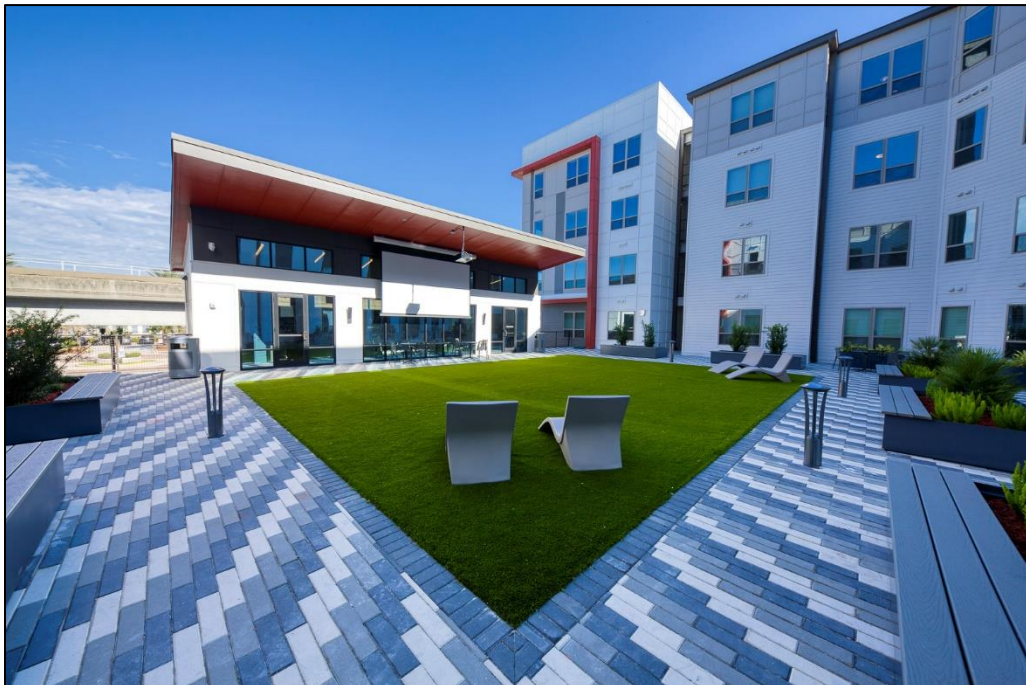
**200 Riverside (Project Update)**

In 2016, the DIA recommended an incentive package (which was approved in legislation by the City Council) that included a twenty (20) year 62.5% REV grant (up to \$9 million) of the incremental increase of the county portion of ad valorem taxes. The mixed-use development, located at 200 Riverside Avenue, will consist of approximately 300 multi-family units and 12,000 square feet of retail. With a minimum capital investment of \$50 million, substantial completion of this project is anticipated in late spring of 2021.



**Lofts of LaVilla at Jefferson Station (Project Completed)**

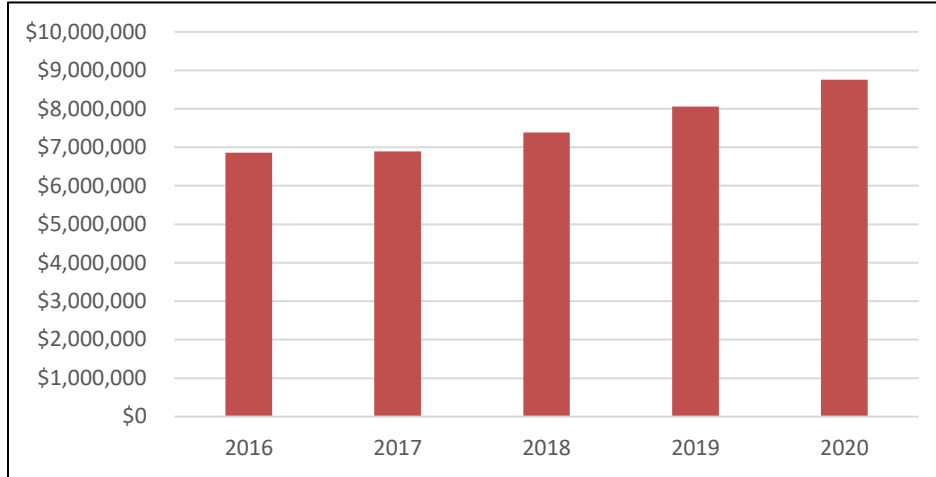
With a proposed capital investment of \$26 million, in 2017 the DIA recommended (which was approved in legislation by the City Council) the development of a 133 unit multi-family development at 799 Water Street. In exchange for reserving a portion of the units as workforce housing, the developer received a fifteen (15) year 75% REV Grant (up to \$3.4 million) of the incremental increase in the county portion of ad valorem taxes and a zero percent interest twenty (20) year loan in the amount of \$400,000. Substantial completion of this project occurred in October of 2019.



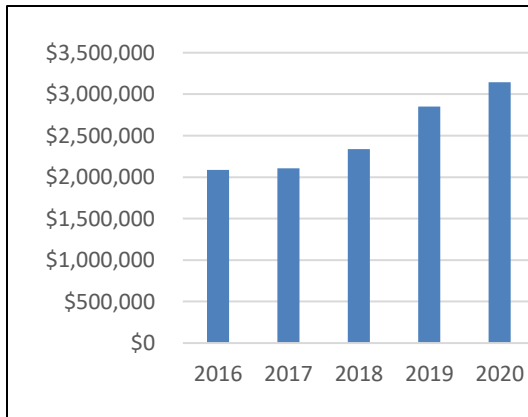


**Northbank CRA Tax Increment Revenues**

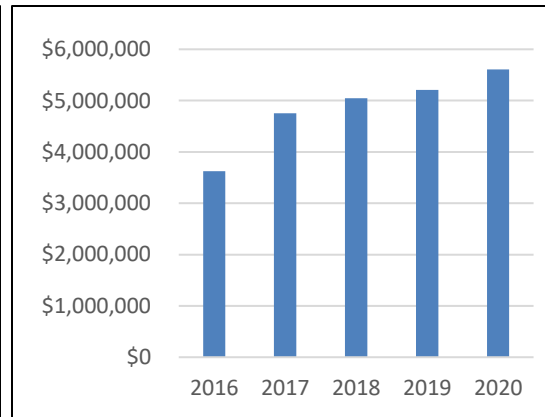
**COMBINED TAX INCREMENT DISTRICT (TID) AD VALOREM REVENUES**



**DOWNTOWN EAST TID**



**DOWNTOWN WEST TID**



**Northbank CRA Tax Increment Revenues by Tax Increment District (FY2016-20)**

Year	Total Revenue	Downtown East	Northwest
2016	\$6,860,387	\$2,088,740	\$3,623,622
2017	\$6,894,084	\$2,107,679	\$4,752,708
2018	\$7,383,266	\$2,336,145	\$5,047,121
2019	\$8,055,246	\$2,849,806	\$5,205,440
2020	\$8,762,118	\$3,142,573	\$5,619,545

**Northbank CRA – Downtown East AND West Combined TID Budgets**

**DOWNTOWN NORTHBANK CRA TRUST  
SUBFUND 18A**

**REVENUES**

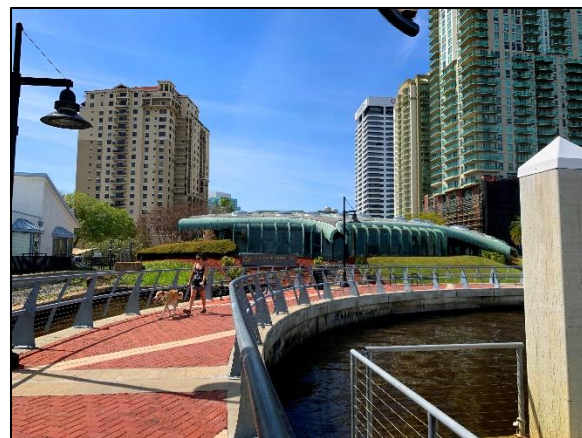
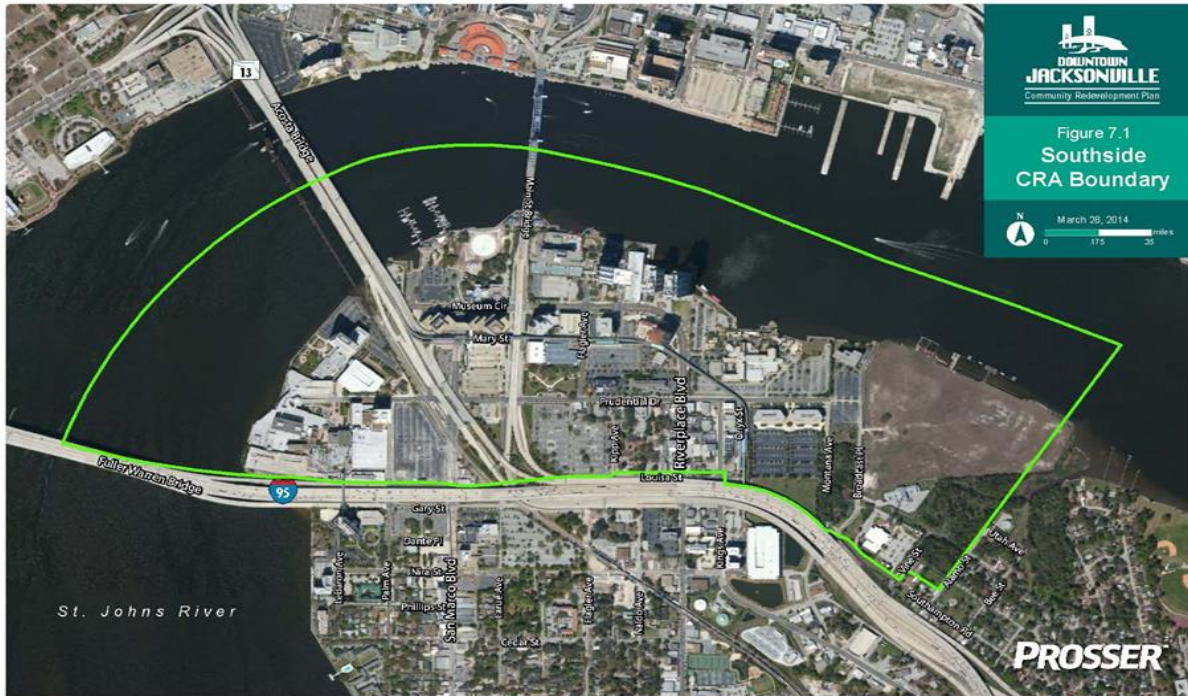
Property Taxes - Northwest USD1-B	5,619,545
Property Taxes - Northeast USD1-C	3,142,573
Debt Repayment (Lynch /11E)	595,247
Debt Repayment (Carling Loan)	506,487
Total Revenues:	<u>9,863,852</u>

**EXPENDITURES**

<b>Administrative Expenditures</b>	
Supervision Allocation	434,063
Professional Services	51,782
Advertising and Promotion	100,000
Annual Independent Audit	2,500
Total Administrative Expenditures:	<u>588,345</u>
<b>Financial Obligations</b>	
Recaptured Enhanced Value (REV) grants	
Hallmark / 220 Riverside (leg: 2012-270)	372,960
Pope & Land / Brooklyn (leg: 2012-703 amend: 2013-288)	336,700
MPS Subsidy Downtown Garages	4,200,000
Parking Lease - JTA / Fidelity	13,494
Commercial Revitalization Program (DIA Res. 2015-09-03)	5,000
Debt Service / Loan Repayments	
CDBG Loan Repayment - MOCA (leg: 1999-1206)	75,000
Lynch Bldg Loan Repayment (leg: 2000-1079 amend: 2001-795 & 2017-504)	800,000
Total Financial Obligations:	<u>5,803,154</u>
<b>Future Years Debt Reduction</b>	
Future Debt Reduction	0
Total Future Years Debt Reduction:	<u>0</u>
<b>Plan Authorized Expenditures</b>	
Professional Services	200,000
Downtown Development Loans	950,000
Retail Enhancement Program	307,242
Waterfront Activation	500,000
Unallocated Plan Authorized Expenditures	1,515,111
Total Plan Authorized Expenditures:	<u>3,472,353</u>
Total Expenditures:	<u>9,863,852</u>

Revised Schedule V

# Southside CRA



## Southside CRA at a Glance

CRA Base Year	1980
Base Year Taxable Assessment	\$ 89,127,781
Current Taxable Assessment	\$ 522,821,330
Incremental Increase	\$ 433,693,549
Fiscal 2019/2020 TIF Revenue <i>(Pending financial review and audit)</i>	\$ 4,707,693



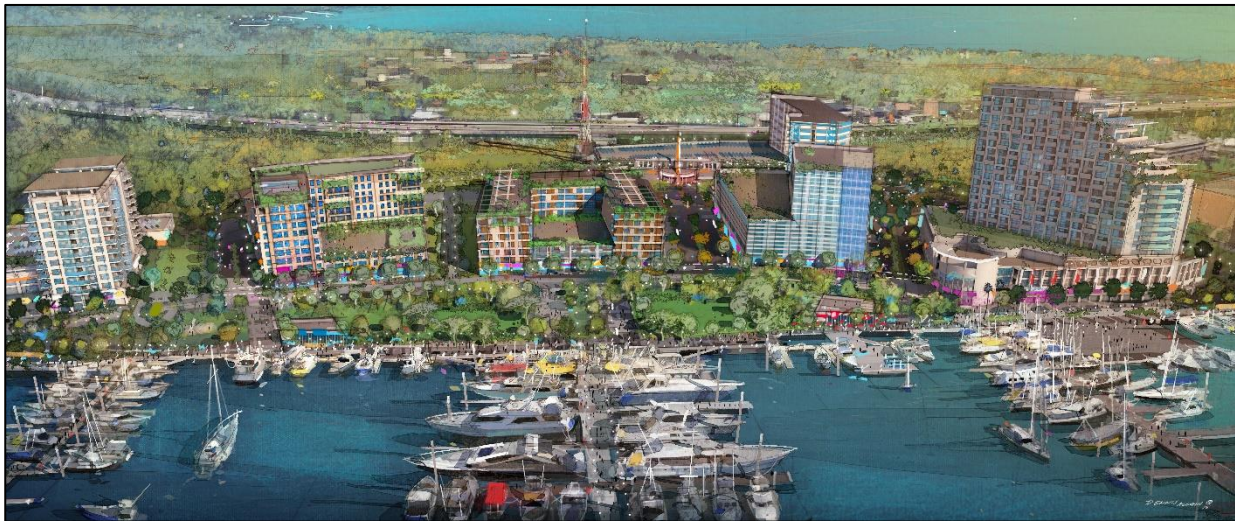
# Southside CRA Project and Program Highlights for 2019-2020

## Baptist Medical Center (Project Update)

Baptist Medical Center continues its expansion within the Southbank CRA. In March of 2019, Baptist obtained an allocation of Development Rights from the DIA for construction of an additional 260,000 square foot medical office tower. With completion of this project expected in January of 2022, this development follows the completion of the Baptist/MD Anderson Center which opened in September of 2018 along with two new structured parking facilities.

## The District (Project Update)

In 2018, the DIA Board recommended an incentive package (which was approved in legislation by the City Council) for The District project to redevelop the 30-acre former JEA site located on downtown's Southbank. With a proposed capital expenditure of \$280 million, The District will include 950 residential units, 147 hotel rooms, 200,000 square feet of office space, 134,000 square feet of retail space, a 125-slip marina and the donation of four parcels of land (totaling at least 4 acres) to the city for use as public parks. The incentive package includes a twenty (20) year 75% Recaptured Enhanced Value (REV) grant (up to \$56 million) of the incremental increase in the county portion of ad valorem taxes and a commitment by the City to spend \$23 million on the development of the parks, extending the Riverwalk, a new water-taxi stop and the extensions of Prudential Drive, Broadcast Place and Riverside Drive. Commencement of construction of The District project is scheduled to begin in early 2021.





**Southbank Ventures Apartments Project (Project Update)**

In 2017, the DIA Board recommended (which was approved in legislation by the City Council) a fifteen (15) year 75% REV grant (up to \$7.8 million) of the incremental increase in the county portion of ad valorem taxes for the development of an approximately 300 market rate multi-family development at 0 Prudential Drive. The start of this project was delayed in order to resolve a pending lawsuit (regarding the development proposal) brought by neighboring landowners. Construction commenced in February of 2020. With a proposed capital expenditure of \$37 million, substantial completion of this project is expected by the summer of 2022.



**Home Street Apartments (Completed Project)**

With a proposed capital investment of at least \$21 million, in 2017 the DIA Board recommended (which was approved in legislation by the City Council) the development of a 143 multi-family apartment building at 1444 Home Street. In exchange for reserving a portion of the units as workforce housing, the developer received a fifteen (15) year 75% REV grant (up to \$2.5 million) of the incremental increase in the county portion of ad valorem taxes. Substantial completion of this project occurred in October of 2019.



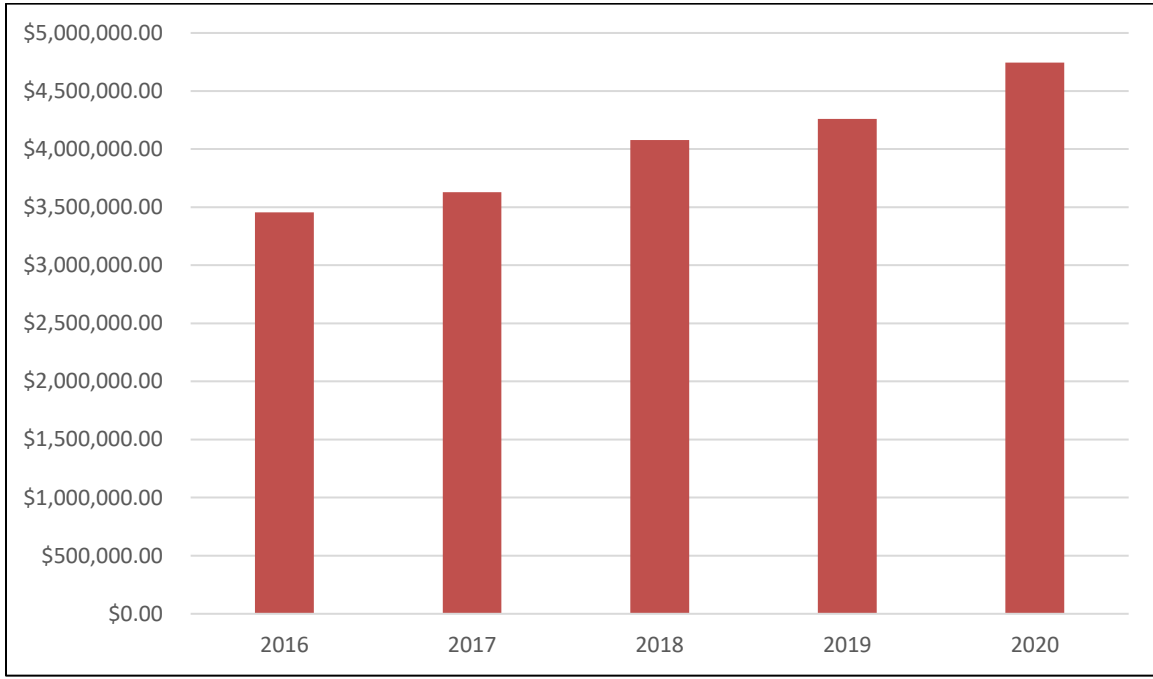
### **Riverplace Boulevard (Completed Project)**

Riverplace Boulevard was a four-lane roadway on the Southbank of Downtown that functioned as a thoroughfare for daily commuters. Over the past two decades, the DIA and the City incentivized several mixed-use developments along Riverplace Boulevard. After four years of public outreach, design charrettes, engineering and construction, this former thoroughfare is now a multi-modal facility that prioritizes bicyclists and pedestrians. This “road diet”, completed in November of 2019, included a cycle track, wide multi-use paths, on-street parking, wayfaring signage to the Riverwalk and artfully designed street furnishings, setting the stage for continued mixed-use and ground floor activated development.



**Southside CRA Tax Increment Revenues**

**REVENUE**



**Southside CRA Tax Increment Revenues (FY2016-20)**

<b>Year</b>	<b>Revenue</b>
2016	\$3,456,811
2017	\$3,628,092
2018	\$4,078,987
2019	\$4,261,007
2020	\$4,707,693



**Southside CRA – TID Budget**

**DOWNTOWN SOUTHBANK CRA TRUST  
SUBFUND 18B**

**REVENUES**

Property Taxes	4,707,693
Total Revenues:	<u>4,707,693</u>

**EXPENDITURES**

Administrative Expenditures	
Supervision Allocation	420,815
Annual Independent Audit	2,500
Total Administrative Expenditures:	<u>423,315</u>

Financial Obligations	
Recaptured Enhanced Value (REV) grants	
Strand (leg: 2001-1329 amend: 2002-755 & 2006-1131)	440,300
Peninsula (leg: 2001-1329 amend: 2002-755 & 2006-1131)	647,500
SunGard (leg: 2015-780)	8,288
JEA Southside Gen Station Public Infrastructure Improvements (leg: 2018-313)	2,190,930
One Call Commercial Revitalization Incentive (DIA Res. 2017-01-03)	100,000
Debt Service Interest - Strand Bonds 2014 Special Rev	177,294
Debt Service Principal - Strand Bonds 2014 Special Rev	142,000
Total Financial Obligations:	<u>3,706,312</u>

Future Years Debt Reduction	
Future Debt Reduction	0
Total Future Years Debt Reduction:	<u>0</u>

Plan Authorized Expenditures	
Waterfront Activation	166,111
Unallocated Plan Authorized Expenditures	411,955
Total Plan Authorized Expenditures:	<u>578,066</u>
Total Expenditures:	<u>4,707,693</u>

# Exhibit A

## Audited Financial Statements

### City of Jacksonville Audited Financial Statements for Fiscal Year Ended September 30, 2020

Pursuant to Chapter 163 of the Florida Statutes, this annual report must be accompanied by the most recent complete audit report of the Redevelopment Trust Fund. As of March 31, 2021, the Audited Financial Statements for fiscal year ended September 30, 2020 were not yet completed by the City of Jacksonville's outside auditor. As a result, the following pages are the Audited Financial Statements for fiscal year ended September 30, 2019.

When the Audited Financial Statements for fiscal year ended September 30, 2020 are completed, they will be available for review on the DIA website at ([www.dia.coj.net/about](http://www.dia.coj.net/about)).

Reading these reports online will require Adobe Acrobat Reader. If you do not have Adobe Acrobat Reader, you may download the necessary software from [www.adobe.com](http://www.adobe.com). (Please note these may be large files and take several minutes to download.)



**City of Jacksonville, Florida  
Community Redevelopment Agency  
Fund**

**Audited Financial Statements**

**For the Fiscal Year Ended September 30, 2019**



**CRI** CARR  
RIGGS &  
INGRAM

CPAs and Advisors

[CRIcpa.com](http://CRIcpa.com)



**City of Jacksonville, Florida  
Community Redevelopment Agency Fund**

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September 30, 2019**

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## **INDEPENDENT AUDITORS' REPORT**

Honorable Mayor and Members of the City Council  
City of Jacksonville, Florida

We have audited the accompanying financial statements of the sub-funds (the "Area's") within the Tax Increment District Fund, also known as the Community Redevelopment Agency Fund, a blended component unit of the City of Jacksonville, Florida (the "City"), which comprise the balance sheet as of September 30, 2019, and the related statement of revenues, expenditures and changes in fund balances for the year then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each of the City's Area's as of September 30, 2019, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

As discussed in Note 1 to the financial statements, the accompanying financial statements were prepared to facilitate the independent audit requirements contained in Section 163.387(8), Florida Statutes, and are not intended to be a complete presentation of the City's financial activity. Our opinions are not modified with respect to that matter.

*Carri Riggs & Ingram, L.L.C.*

Jacksonville, Florida

June 8, 2020

**City of Jacksonville Florida  
Community Redevelopment Agency Fund**

**Balance Sheet  
September 30, 2019**

	Northbank Downtown Area	Southside Area	JIA Area	KingSoutel Crossing Area	Renew Arlington Area	Total
<b>Assets</b>						
Equity in pooled cash and cash equivalents	\$ 5,856,052	\$ 9,312,346	\$ 15,936,495	\$ 2,049,884	\$ 1,345,910	\$ 34,500,687
<b>Liabilities and fund balances</b>						
<b>Liabilities</b>						
Accounts payable and accrued liabilities	\$ -	\$ 108,560	\$ 83,227	\$ 40,268	\$ -	\$ 232,055
<b>Fund balances</b>						
Restricted	5,856,052	9,203,786	15,853,268	2,009,616	1,345,910	34,268,632
<b>Total liabilities and fund balances</b>	<b>\$ 5,856,052</b>	<b>\$ 9,312,346</b>	<b>\$ 15,936,495</b>	<b>\$ 2,049,884</b>	<b>\$ 1,345,910</b>	<b>\$ 34,500,687</b>

*The accompanying notes are an integral part of this financial statement.*



**City of Jacksonville Florida  
Community Redevelopment Agency Fund**

**Statement of Revenues, Expenditures and Changes in Fund Balances  
For the year ended September 30, 2019**

	Northbank Downtown Area	Southside Area	JIA Area	KingSoutel Crossing Area	Renew Arlington Area	Total
<b>Revenues</b>						
Property taxes	\$ 8,055,246	\$ 4,261,007	\$ 11,683,538	\$ 706,457	\$ 754,156	\$ 25,460,404
Interest income	674,822	418,139	546,584	73,864	43,316	1,756,725
Miscellaneous sales & charges	383,387	-	-	-	-	383,387
Payment in lieu of taxes	319,380	-	-	-	-	319,380
<b>Total revenues</b>	<b>9,432,835</b>	<b>4,679,146</b>	<b>12,230,122</b>	<b>780,321</b>	<b>797,472</b>	<b>27,919,896</b>
<b>Expenditures</b>						
Misc. non-departmental expenditures	5,271,604	1,322,631	2,309,658	-	18,492	8,922,385
Other expenditures	15,874	57,420	424,614	140,974	79,714	718,596
<b>Total expenditures</b>	<b>5,287,478</b>	<b>1,380,051</b>	<b>2,734,272</b>	<b>140,974</b>	<b>98,206</b>	<b>9,640,981</b>
<b>Excess of revenues over (under) expenditures</b>	<b>4,145,357</b>	<b>3,299,095</b>	<b>9,495,850</b>	<b>639,347</b>	<b>699,266</b>	<b>18,278,915</b>
<b>Other financing sources (uses)</b>						
Transfers from (to) the City of Jacksonville	(2,441,137)	1,001,151	5,546,775	1,344,906	589,301	6,040,996
<b>Total other financing sources (uses)</b>	<b>(2,441,137)</b>	<b>1,001,151</b>	<b>5,546,775</b>	<b>1,344,906</b>	<b>589,301</b>	<b>6,040,996</b>
<b>Net change in fund balances</b>	<b>1,704,220</b>	<b>4,300,246</b>	<b>15,042,625</b>	<b>1,984,253</b>	<b>1,288,567</b>	<b>24,319,911</b>
<b>Fund balances, October 1</b>	<b>4,151,832</b>	<b>4,903,540</b>	<b>810,643</b>	<b>25,363</b>	<b>57,343</b>	<b>9,948,721</b>
<b>Fund balances, September 30</b>	<b>\$ 5,856,052</b>	<b>\$ 9,203,786</b>	<b>\$ 15,853,268</b>	<b>\$ 2,009,616</b>	<b>\$ 1,345,910</b>	<b>\$ 34,268,632</b>

*The accompanying notes are an integral part of this financial statement.*



**City of Jacksonville, Florida**  
**Community Redevelopment Agency Fund**

**Notes to Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The legally separate entities, JIA, KingSoutel Crossing, Renew Arlington, and the Downtown Investment Authority, (formally Downtown East, Northside West and Southside) (the “Agency’s”) were created by ordinances of the City to carry out community redevelopment within the City of Jacksonville under Chapter 163, Part 3, of the Florida Statutes. The City Council sits as the Agency Board of the JIA, KingSoutel Crossing, and Renew Arlington Community Redevelopment Agencies and approves the budgets. The Downtown Investment Authority Board sits as the board of the Northbank Downtown and Southside community redevelopment areas and approves the budgets. The Agency’s approved budgets are then submitted to the City of Jacksonville City Council so that they may be included in the City’s annual budget for adoption. The Agency’s are reported as a blended component unit of the City because of the existence of a financial benefit/burden relationship. All five (5) Areas of the Agency’s are combined into the Tax Increment District Fund for financial reporting in the City’s comprehensive annual financial report. The Tax Increment District Fund receives a distribution of ad valorem tax revenue levied and collected in the City’s tax increment districts used to promote future commercial business development that expands property tax base values in the areas.

**Basis of Presentation**

The Agency’s Tax Increment District project funds are reported as separate major governmental funds. The financial statements have been prepared to facilitate the requirement for an independent audit of the City’s Tax Increment District sub-funds and, accordingly, result in an incomplete presentation of the City’s financial activity that is otherwise in conformity with generally accepted accounting principles. The accompanying financial statements include only these funds and do not purport to, and do not, constitute a complete presentation of the City’s financial activity.

**Measurement Focus/Basis of Accounting**

The Areas are accounted for on a current financial resources measurement focus and the modified accrual basis of accounting. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of “available spendable resources.” Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of “available spendable resources” during a period.

Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available as net current assets. Major revenues that are determined to be susceptible to accrual include property taxes, payments in lieu of taxes and investment income. Generally, the Tax Increment District sub-funds use a 60-day availability period for revenue recognition.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.



**City of Jacksonville, Florida**  
**Community Redevelopment Agency Fund**

**Notes to Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Cash and cash equivalents**

Cash and cash equivalents are reported in the financial statements as *“equity in pooled cash and cash equivalents.”* All monies of the City, which are not legally restricted to separate administration, are pooled together for investment purposes while each individual fund and/or account is maintained on a daily transaction basis by the City Treasurer.

**Fund Balance**

The Tax Increment District sub-funds follow the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Tax Increment District sub-funds are bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

The fund balances of the City’s Tax Increment District sub-funds are classified as *restricted* pursuant to the provisions of GASB Statement No. 54. Fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

The City’s policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

**Subsequent Events**

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 8, 2020 and determined there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

**NOTE 2 – CASH ON DEPOSIT**

The City maintains a cash pool that is available for use by funds that include the Tax Increment District sub-funds. The *“equity in pooled cash and cash equivalents”* on the balance sheet, consists of cash owned by each Area and is defined as resources that can be liquidated without delay or penalty. Investment earnings are allocated to the individual funds monthly based on the sub-funds’ weighted average daily cash and investment balance.

Monies on deposit with financial institutions in the form of demand deposit accounts, time deposit accounts and certificates of deposit are defined as public deposits. All of the deposits of the City’s Tax Increment District sub-funds are held in qualified public depositories pursuant to Florida Statutes, Chapter 280, *Florida Security for Public Deposits Act*, and covered by federal depository insurance. For amounts in excess of federal depository insurance, the Act provides that all qualified public depositories



**City of Jacksonville, Florida  
Community Redevelopment Agency Fund**

**Notes to Financial Statements**

**NOTE 2 – CASH ON DEPOSIT (CONTINUED)**

are fully insured. The qualified public depository must pledge 50% of the average daily balance for each month of all public deposits in excess of any applicable depository insurance. Additional collateral, up to a maximum of 125% of the average daily balance may be required if deemed necessary under the conditions set forth in the Act. Obligations pledged to secure deposits must be delivered to the State Treasurer, or with the approval of the State Treasurer, to a bank, savings association, or trust company provided a power of attorney is delivered to the State Treasurer.