Downtown Investment Authority
Downtown Investment Authority Hybrid Meeting
Wednesday, January 21st, 2026, 2:00 p.m.

Community Redevelopment Agency Hybrid Meeting
MEETING MINUTES

DIA Board Members: Patrick Krechowski, Esq. (Chair); Micah Heavener; Sondra Fetner, Esq.; Scott Wohlers; John Hirabayashi; Cameron Hooper; Carrie Bailey; Jill Caffey; and Trevor Lee

Mayor's Office: Bill Delaney, Council Liaison

Council Members: None

DIA Staff: Colin Tarbert, CEO; Guy Parola, Director of Operations; Steve Kelley, Director of Downtown Real Estate and Development; Allan DeVault, CRA Redevelopment Manager; Wade McArthur, Property Disposition Manager; Scott Wilson, Capital Projects Manager; John Crescimbeni, Contract and Regulatory Compliance Manager; Wanda James, Financial Analyst, and Ava Hill, Administrative Assistant

Office of General Counsel: John Sawyer, Esq.

I. CALL TO ORDER

Board Chair Patrick Krechowski called the meeting to order at 2:01 p.m. and invited everyone to join him in reciting the Pledge of Allegiance. He then asked each attendee to introduce themselves.

II. PUBLIC COMMENTS

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

Nancy Powell	1848 Challen Ave.	Thanked DIA for sponsoring the February 5th Symposium, promoted attendance, and noted planned restaurant spaces
John Nooney	8356 Bascom Rd.	Discussed upcoming legislation, a JEA fishing tournament benefiting public waterway access, and related initiatives.

III. COMMUNITY REDEVELOPMENT AGENCY

A. FORM 8B: VOTING CONFLICT DISCLOSURES

Board Chair Krechowski declared a voting conflict for Resolution 2026-01-03 Regions Bank and Board Member Lee declared a voting conflict for Resolution 2026-01-01 Baptist Hotel REV Grant and Resolution 2026-01-02 Baptist Hotel Completion Grant.

B. DECEMBER 17TH, 2025, COMMUNITY REDEVELOPMENT AGENCY MEETING MINUTES APPROVAL

Board Chair Krechowski called for a motion on the meeting minutes as presented.

Motion: Board Member Fetner motioned to approve the meeting minutes.
Seconded: Board Member Heavener seconded the motion.

Board Chair Krechowski called for a vote on the meeting minutes.

Vote: Aye: 9 Nay: 0 Abstain: 0

MOTION PASSED UNANIMOUSLY 9-0-0

C. <u>RESOLUTION 2026-01-01 BAPTIST HOTEL REV GRANT</u>

Mr. Colin Tarbert, CEO of the DIA, introduced the resolution and noted that the final report with updated parking revenue and removed draft markings was provided, and explained that staff recommendations were split into two resolutions: one for a REV grant (approved by DIA) and one for a completion grant (requiring City Council approval). They emphasized the project's uniqueness as part of Baptist Health's nonprofit system, outlined challenges in applying typical private development analysis, and highlighted priority considerations for completion grants before turning the discussion over to Mr. DeVault for details.

Mr. Allan DeVault, CRA Redevelopment Manager, reviewed the staff report and provided background on the Baptist campus project, which will replace a 1.4-acre parking lot with a 15-story dual-branded hotel featuring 226 rooms, event space, dining options, and structured parking. The total development cost was nearly $106 million, with hard costs at $72.9 million. The project aligned with BID plan goals and projected $12 million in annual operations. ROI was modeled at 2.4, aided by tourist development tax revenue, and IRR ranged from 4.92% without incentives to 10.01% with both REV and completion grants. Staff recommended a REV grant and noted the completion grant request, emphasizing compliance with incentive calculations and priority considerations.

Board Chair Krechowski opened the floor for discussion.

Board Member Wohlers noted that on page 4, the second-to-last bullet point contained an incorrect figure. It appeared the intended amount was $900,000, but an extra zero was included.

Mr. DeVault responded that he was correct and that he'd update the document to remove the extra zero to reflect the amounts accurately.

Board Chair Krechowski asked Steve Deibenow to address the address.

Mr. Steve Deibenow, Partner at Driver McAfee Hawthorne and Diebenow, thanked the Chairman and explained the plan: Dane Bennett would discuss why Baptist proposed the project, and Carl Hansen would outline Baptist's real estate capabilities. They noted the project was unique because of Baptist's mission and profile.

Mr. Dane Bennett, Vice President of Government Relations at Baptist Health, described Baptist Health as a Jacksonville-based nonprofit health system reinvesting locally. He highlighted recent mission-driven investments like expanding maternity care and pediatric behavioral health beds and emphasized Wolfson Children's Hospital's statewide role. He explained the need for family lodging near the South Bank and the opportunity to create a project benefiting both families and downtown.

Mr. Carl Hansen, Executive Director of Real Estate for Baptist Health, explained Baptist's ability to develop the hotel, citing its internal real estate team and experienced partners. He stressed the hotel would be a first-class property serving downtown, funded from Baptist's investment portfolio, and positioned as a community benefit rather than a hospital hotel.

Mr. Diebenow concluded that Baptist's projected IRR was about 10%, far below typical private developer returns, illustrating its community-focused approach. They stated the proposal required about $13 million in REV grants and $8 million in completion grants to proceed.

Board Member Bailey asked if market studies were conducted and what the anticipated split would be between hospital-related stays and other visitors.

Applicant confirmed market demand studies were completed and updated in 2023. The study did not break down hospital-related vs. other guests, but the hotel is intended to serve both patient families and broader community needs (business, leisure, events). The project would not proceed if it were only for hospital guests.

Board Member Hirabayashi requested details on the equity structure and whether Baptist's investment fund is a foundation or another type of funding source.

Mr. Hansen explained funds would come from Baptist's investment portfolio, requiring a risk-adjusted return acceptable to its investment committee. Without incentives, the project cannot meet that hurdle rate. Confirmed the project would not move forward without the full incentive package.

Board Member Hooper asked about Baptist's financial commitment and noted the significant economic impact of Baptist. Shared a personal experience at Wolfson and emphasized the need for nearby lodging.

Mr. Diebenow confirmed Baptist has already invested several million dollars and will fund construction without relying on a lender, which accelerates timelines. Expressed appreciation for the support and reiterated Baptist's mission-driven approach.

Board Chair Krechowski called for a motion on the resolution.

Motion: Board Member Hooper motioned to approve the resolution.
Seconded: Board Member Wohlers seconded the motion.

Bill Delaney, Council Liaison, stated the Mayor supports the project, calling it a good use of currently vacant space and an appropriate location for the South Bank. He confirmed the Mayor's office is comfortable with the REV grant and will defer to DIA and Council on the completion grant.

Board Member Lee expressed that he supported the project, citing Baptist's ability to deliver high-quality work and the benefit of adding two public hotels on the South Bank. He emphasized the importance of approving quickly so the project can move forward.

Board Member Heavener strongly supported the project, noting a clear gap in hotel options on the South Bank based on his experience living away from Jacksonville. He emphasized the project's value to the market and added that quality hotels significantly benefit the area, aligning with Visit Jacksonville's goals.

Seeing no further discussion, Board Chair Krechowski called for a vote on the resolution.

Vote: Aye: 8 Nay: 0 Abstain: 1 (Trevor Lee)

MOTION PASSED 8-0-1

D. RESOLUTION 2026-01-02 BAPTIST HOTEL COMPLETION GRANT

Board Chair Krechowski reiterated that the resolution for the completion grant was separated because completion grants are not part of any DIA program and require City Council approval. The board's role was limited to providing a recommendation, as it does not have authority to approve completion grants.

CEO Tarbert stated that the resolution recommended City Council approval of an $8 million completion grant, structured as $4 million per year over two years. He noted that, consistent with DIA's approach for completion grants, the agreement would include a profit-sharing provision, with details to be negotiated if approved by Council.

Board Chair Krechowski called for a motion on the resolution.

Motion: Board Member Wohlers motioned to approve the resolution.
Seconded: Board Member Heavener seconded the motion.

Board Chair Krechowski opened the floor for discussion.

Board Member Hirabayashi asked about the $8 million completion grant, whether there are competing priorities for these funds, and if there is a limited pool that could affect future projects.

CEO Tarbert explained that completion grants are not tied to a fixed pot of money but approved case-by-case by City Council. A special committee is working to define priorities and funding limits. Acknowledged concerns about "completion grant fatigue" and noted this project may be viewed differently because Baptist is a major regional anchor institution.

Board Member Hooper asked if clarity on acceptable annual limits and priorities could be provided for long-term planning.

CEO Tarbert agreed that clearer guidelines are needed and said the committee process aims to establish boundaries and priorities for future projects.

Board Member Hooper highlighted four reasons for support: significant need, positive aesthetics along I-95, Baptist's readiness to move quickly, and their strong community partnership.

Board Member Heavener added that the project converts a non-taxable property into a taxable asset, benefiting CRA revenue.

Board Member Wohlers emphasized high ROI compared to other projects and activation of a dead area.

Board Member Bailey supported based on strong ROI and Baptist's willingness to accept lower returns, calling it a rare opportunity.

Board Member Fetner praised the design for activating the South Bank with amenities like a rooftop restaurant and café.

Board Member Lee commended Baptist for self-funding, using its own land, and moving quickly, calling it an ideal applicant scenario.

Board Chair Krechowski called for a vote on the resolution.

Vote: Aye: 8 Nay: 0 Abstain: 1 (Board Member Trevor Lee)

MOTION PASSED 8-0-1

E. RESOLUTION 2026-01-03 REGIONS BANK

Mr. John Crescimbeni, DIA Contract and Compliance Manager, explained that five years after initiating agreements with Regions Bank, a conflict was discovered between a council ordinance and a resolution regarding mortgage posting requirements. The ordinance waived the requirement, while the resolution required it. A cleanup bill was introduced to correct the error and allow disbursement of funds under the original economic development agreement.

Board Chair Krechowski called for a motion on the resolution.

Motion: Board Member Hirabayashi motioned to approve the resolution.
Seconded: Board Member Heavener seconded the motion.

Seeing no discussion, Board Chair Krechowski called for a vote on the resolution.

Vote: Aye: 8 Nay: 0 Abstain: 1 (Board Chair Patrick Krechowski)

MOTION PASSED 8-0-1

F. RESOLUTION 2026-01-04 MOSH DEMOLITION

Mr. Guy Parola, Director of Operations, explained that MOSH vacated its building and returned the land to the city, but a recent tour revealed severe roof leaks and deferred maintenance, making the building unsuitable for reuse. A structural report showed eight of eleven roof sections in poor condition. Given the site's redevelopment potential, staff proposed demolition and using the parcel for temporary parking to support nearby projects. To fund the estimated $850,000 demolition cost, staff identified $875,000 by reallocating funds from three underutilized accounts: $400,000 from unallocated plan expenditures, $300,000 from the Commercial Revitalization Program, and $175,000 from a parks capital account. MOSH was responsible for building maintenance prior to turnover, while the land has always been city-owned.

Board Chair Krechowski opened the floor for discussion.

Board Member Fetner asked who is responsible for maintenance of the building and whether the city has any responsibility for repairs.

Mr. Parola clarified that the city has no responsibility for building maintenance. The land belongs to the city, but the building is owned by the tenant, so when the land is turned over, the building does not transfer with it.

Board Member Hooper asked about the status of the new MOSH project on the North Bank and its timeline.

Mr. Parola reported that legislation passed the Finance Committee to extend MOSH's performance schedule by six months, with construction required to start by September 1, 2026, and completion expected by 2028. MOSH has secured about $100 million in private funding, and the city has committed $50 million.

Board Member Wohlers asked about the realistic timeframe for making the parcel ready for disposition after demolition.

Mr. Parola estimated that a notice of disposition could be issued before the end of the year, pending demolition and pre-development work such as subdividing the parcel.

Board Member Hooper emphasized the importance of replacing the building quickly to maintain South Bank momentum and noted record attendance at Friendship Fountain.

Mr. DeVault confirmed Friendship Fountain had 150,000 visitors in FY2025, up significantly from prior years.

Board Chair Krechowski called for a motion on the resolution.

Motion: Board Member Heavener motioned to approve the resolution.
Seconded: Board Member Hooper seconded the motion.

Seeing no further discussion, Board Chair Krechowski called for a vote on the resolution.

Vote: Aye: 9 Nay: 0 Abstain: 0

MOTION PASSED UNANIMOUSLY 9-0-0

A. RESOLUTION 2026-01-05 RIVERFRONT PLAZA RESTAURANT PARCEL DISPOSITION

Mr. Allan DeVault reviewed the history of food and beverage planning for public spaces, noting prior engagement with Street Sense and lessons learned from the St. Johns River Park restaurant design. DIA is now pursuing a larger restaurant concept at Riverfront Plaza (5,000–6,000 sq. ft. with patio and rooftop) and plans to involve an operator early in design due to anticipated long-term leases and investment. Multiple operators have expressed interest, and DIA believes the park can support several food and beverage establishments.

Board Chair Krechowski opened the floor for discussion.

Board Member Bailey asked if the board could decline to select any proposal if responses to the notice of disposition do not meet preferred criteria.

Mr. DeVault confirmed the board is not obligated to select any proposal. Clarified this is a notice of disposition, not an RFP, so the board has full discretion.

Board Member Fetner asked if prior plans and documents related to the site will be included for applicants.

Mr. DeVault stated conceptual drawings and background materials will be provided, including as-builts and site details, so applicants understand existing conditions and constraints.

Board Member Heavener asked what measures will ensure selected applicants have "skin in the game" to avoid delays or withdrawals.

Mr. DeVault suggested options like submission fees or exclusive negotiating rights to confirm commitment. Explained that staff will vet proposals and bring recommendations with draft terms to the board.

Board Member Hooper asked about expected restaurant count and raised concerns about aesthetics and parking.

Mr. DeVault confirmed plans include a beer garden, café, and two restaurants per prior agreements. Addressed design concerns, noting solutions for back-of-house operations and deliveries. For parking, pointed to nearby garages and potential valet options.

Board Member Fetner noted weekend parking garage operations needed improvement, citing a 45-minute delay exiting Water Street Garage after the Nutcracker due to only one exit.

Board Chair Krechowski called for a motion on the resolution.

Motion: Board Member Lee motioned to approve the resolution.
Seconded: Board Member Heavener seconded the motion.

Seeing no further discussion, Board Chair Krechowski called for a vote on the resolution.

Vote: Aye: 9 Nay: 0 Abstain: 0

MOTION PASSED UNANIMOUSLY 9-0-0

IV. ADJOURNMENT

Board Chair Krechowski adjourned the CRA meeting at 3:20 PM.

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

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Office of General Counsel: John Sawyer, Esq.

I. CALL TO ORDER

Board Chair Krechowski called the Downtown Investment Authority meeting to order at 3:20 PM.

II. DOWNTOWN INVESTMENT AUTHORITY

A. NOVEMBER 19TH, 2025, DOWNTOWN INVESTMENT AUTHORITY MEETING MINUTES APPROVAL

Board Chair Krechowski called for a motion to approve the meeting minutes as presented.

Motion: Board Member Wohlers motioned to approve the meeting minutes.
Seconded: Board Member Fetner seconded the motion.

Board Chair Krechowski called for a vote on the meeting minutes.

Vote: Aye: 9 Nay: 0 Abstain: 0

MOTION PASSED UNANIMOUSLY 9-0-0

III. OLD BUSINESS

A. 330 E BAY STREET

CEO Tarbert clarified the correct address as 330 East Bay Street and explained the purpose of revisiting the notice of disposition. He presented the massing study conducted with Haskell, outlining four schemes considered for the site. Schemes 1 and 2 involved large garages and mixed-use structures but were rejected due to waterfront exposure and scale. Scheme 3, the recommended approach, divided the site into smaller parcels to allow incremental development, starting with a modest 0.8-acre parcel without requiring structured parking. Scheme 4 introduced tower concepts but was not selected. Tarbert emphasized the strategy to build market demand gradually while preserving flexibility for future large-scale development.

Board Member Hooper questioned whether starting with a smaller, costly parcel could limit future development and attract only large firms. Tarbert responded that avoiding structured parking reduces costs and leaves a larger parcel for future projects.

CEO Tarbert responded that starting with a smaller parcel lowers the barrier to entry because structured parking is not required, reducing costs. The remaining site (about two-thirds of the parcel) will still allow for large-scale future development.

Board Member Hirabayashi asked about parking availability and rationale for the parcel split. Tarbert explained nearby garages (Yates and Hyatt) provide ample parking and that the split was based on parking efficiency and site design.

CEO Tarbert responded that parking would be available at nearby locations, including the City Yates Garage (a block and a half away) and the Hyatt garage, both of which have ample capacity, especially evenings and weekends. The parcel split was based on parking efficiency—50/50 would make a garage too narrow and inefficient.

Board Member Lee suggested temporary parking on the remaining parcel. Tarbert preferred activating green space but acknowledged temporary parking could be considered under strict controls.

CEO Tarbert responded that temporary parking could be considered if needed, but the preference is to activate green space. If temporary parking were allowed, it would need strict controls to ensure it remains temporary.

Board Member Hooper asked if proposals must align with the massing study. Tarbert confirmed compliance is a scoring criterion, but non-conforming proposals could still be submitted, though they may score lower.

CEO Tarbert responded that the notice of disposition is specific to the 0.8-acre parcel. Proposals outside that boundary would be considered non-responsive. Compliance with the massing study is a scoring criterion, but applicants can submit alternative concepts—they just may score lower.

B. RESOLUTION 2026-01-06 WANDA JAMES RECOGNITION

Board Chair Krechowski presented Resolution 2026-01-07 honoring Ms. Wanda James for her years of service to the City of Jacksonville and the Downtown Investment Authority. Beginning her career in 1999, she advanced through multiple roles and later returned as a financial analyst, where she played a key role in transitioning to the 1Cloud accounting system. The board expressed sincere appreciation for her dedication and contributions.

Board Chair Krechowski called for a motion on the resolution.

Motion: Board Member Fetner motioned to approve the resolution.
Seconded: Board Member Wohlers seconded the motion.

Board Chair Krechowski opened the floor for comments.

Board Member Fetner expressed admiration for Wanda, describing her as wonderful, smart, and having a great disposition. She wished Wanda a happy retirement and said she will be missed.

Board Member Hirabayashi thanked Wanda for her service to DIA, appreciated her efforts to keep things moving forward, and wished her good luck in retirement.

Board Member Wohlers thanked Wanda for her service, mentioned it was an honor to work with her, and appreciated the detailed spreadsheets she provided when he joined the board. He acknowledged her contributions to DIA and the City of Jacksonville.

Board Member Heavener thanked Wanda for her work, especially with numbers and consolidations. Congratulated her on retirement and acknowledged her contributions during recent transitions.

Ms. Wanda James thanked everyone, expressed surprise at the recognition, shared excitement about retirement, and said it was a pleasure working with DIA. She wished everyone success in the future.

Seeing no discussion, Board Chair Krechowski called for a vote on the resolution.

Vote: Aye: 9 Nay: 0 Abstain: 0

MOTION PASSED UNANIMOUSLY 9-0-0

C. RESOLUTION 2026-01-07 STEVE KELLEY RECOGNITION

Board Chair Krechowski presented another resolution recognizing Dr. Steve Kelley for his leadership and service since January 2020 as Director of Downtown Real Estate and Development. His expertise drove major initiatives, including retail enhancement and preservation programs, and negotiated Jacksonville's largest public-private partnership, Pearl Square. He also served as founding president of Jacksonville's Community Land Trust.

Board Chair Krechowski called for a motion on the resolution.

Motion: Board Member Wohlers motioned to approve the resolution.
Seconded: Board Member Fetner seconded the motion.

Board Chair Krechowski opened the floor for comments.

Board Member Fetner commented that Steve would be greatly missed, describing him as a key person in DIA operations. She praised his character, expressed hope he enjoys retirement on the water, and wished him luck and good health.

Board Member Heavener noted Steve's diligence and attention to detail in complex projects, emphasizing how it reassured him about DIA's processes. He thanked Steve for his patience and guidance, despite his many questions.

Board Member Hooper congratulated Steve on retirement, acknowledged his foundational contributions to DIA, and thanked him for his patience during detailed discussions, appreciating their shared goals.

Board Member Wohlers thanked Steve for his efforts, especially in simplifying complex budgets and deals for board members. Praised his ability to make complicated matters understandable and said this skill would be missed.

Board Member Hirabayashi expressed admiration for Steve's accomplishments over five years, including major projects. He appreciated his advocacy for Downtown and his patience in explaining detailed spreadsheets, noting his commitment to DIA and taxpayers.

Board Chair Krechowski highlighted the scrutiny Steve's work endured and his steady handling of it. Mentioned the difficulty of losing dependable people and thanked Steve for his service through transitions. Wished him well in retirement.

Mr. Steve Kelley expressed gratitude for the kind words and recognition, emphasizing his commitment to service for the board, community, and DIA team. He reflected on his 34 years in Jacksonville, noted Downtown's transformation, and said being part of it was deeply meaningful. He thanked everyone for the opportunity and support.

Seeing no discussion, Board Chair Krechowski called for a vote on the resolution.

Vote: Aye: 9 Nay: 0 Abstain: 0

MOTION PASSED UNANIMOUSLY 9-0-0

IV. <u>CEO INFORMATIONAL BRIEFING</u>

Mr. Tarbert stated that the CEO report was largely covered by the robust agenda. He noted that DIA had hit the ground running in 2026 and expressed hope for strong results moving forward. He then yielded his time to Mr. Wilson for a project update.

Construction Project Updates

Mr. Scott Wilson, Capital Projects Manager, reported on several ongoing projects:

- One Riverside - Residential units are 80% leased; retail spaces in permitting, Solid Core Pilates opens this month, and Whole Foods remains on track for summer opening.

- McCoy's Creek Outfall - Final grading and stabilization completed and riverwalk connection construction is progressing.

- The Hub - Construction is nearly complete and opening expected in early February with final photos to follow.

- Johnson Commons -
  - Building 17: MEP rough-ins, drywall, windows, and shingles installed.
  - Building 18: Framing, roof underlayment, fire sprinkler rough-in, and plumbing for amenity area underway.

- Rural Square -
  - N11: Painting along amenity deck; transformers delivered and set.
  - N4: Slab pours on Level 3 and post-tension cables installed and stressed.

- Four Seasons Hotel & Residences -
  - Office building: Tile installed, elevators being programmed, landscaping ongoing.
  - Hotel & residences: Interior framing on all levels, pool equipment and concrete work underway, exterior framing and balconies progressing.

V. ADJOURNMENT

Board Chair Krechowski commented that the Four Seasons project looked beautiful and praised its design. He then reminded board members about an email from Mr. Crescimbeni regarding required ethics training for board service and asked them to complete it. He noted that the next City Council Special Committee on Downtown meeting was scheduled for February 9th and mentioned that Ms. Hill had already sent calendar invites. He encouraged all members to attend.

Seeing no further discussion, Board Chair Krechowski adjourned the DIA meeting at 3:58 PM.

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