



**Downtown Investment Authority**  
**Hybrid Meeting**  
***Wednesday, August 18, 2021 – 2:00 p.m.***

**Community Redevelopment Agency**  
**MEETING MINUTES**

**DIA Board Members:** Braxton Gillam, Esq., Chairman; Carol Worsham, Vice Chair; Jim Citrano, Secretary; Oliver Barakat; Craig Gibbs, Esq.; Bill Adams, Esq. (*non-voting; via Zoom*); Ron Moody; Todd Froats

**DIA Board Members Excused:** David Ward, Esq.

**Mayor's Staff:** None

**Council Members:** None

**DIA Staff:** Lori Boyer, Chief Executive Officer; Steve Kelley, Director of Downtown Real Estate and Development; Guy Parola, Operations Manager; Allan DeVault, Project Manager; Lori Radcliffe-Meyers, Redevelopment Coordinator; Ina Mezini, Communication and Marketing Specialist; John Crescimbeni, Contract and Regulatory Compliance Manager; Jackie Mott, Financial Analyst; Wanda Crowley, Financial Analyst; and Xzavier Chisholm, Administrative Assistant.

**Office of General Counsel:** John Sawyer, Esq.

**I. CALL TO ORDER**

Chairman Gillam called the CRA Board Meeting to order at 2:00 p.m.

Chairman Gillam announced each DIA Board Member and DIA staff present.

Lori Boyer, CEO of DIA, clarified for Chairman Gillam that Board Member Adams would not be able to vote via Zoom due to DIA Bylaws.

**II. PUBLIC COMMENTS**

Chairman Gillam opened the floor to public comment.

The following persons 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:

Dimitri Demopoulos

Marina; Potential Projects in Downtown Jacksonville

**III. COMMUNITY REDEVELOPMENT AGENCY MEETING**

**A. JULY 29, 2021 COMMUNITY REDEVELOPMENT AGENCY MEETING MINUTES**

Having called for corrections or other edits by his fellow board members and after receiving none, Chairman Gillam asked for a motion and second on the item.

**Motion:** Board Member Moody moved to approve the minutes as presented

**Seconded:** Board Member Barakat seconded the motion

**Vote: Aye: 7      Nay: 0      Abstain: 0**

**THE MOTION PASSED UNANIMOUSLY 7-0-0.**

Chairman Gillam reorganized the agenda, moving Resolution 2021-08-01: Morris to the last item on the agenda.

**B. RESOLUTION 2021-08-03: SRX 50 SEATS**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY URGING THE CITY COUNCIL TO ADOPT A RESOLUTION IN SUPPORT OF A J-BILL TO BE CONSIDERED BY THE DUVAL DELEGATION, WHICH WOULD AMEND CHAPTER 87-471, LAWS OF FLORIDA, AS AMENDED BY CHAPTER 2011-255, 2016-248 AND 2017-213, LAWS OF FLORIDA, TO ADD SPECIAL ZONES TO JACKSONVILLE, FLORIDA, SO AS TO PROVIDE AN EXCEPTION TO §561.20(1), *FLORIDA STATUTES*, FOR SPACE AND SEATING REQUIREMENTS FOR LIQUOR LICENSES FOR RESTAURANTS IN THE COMBINED NORTHBANK CRA; PROVIDING AN EFFECTIVE DATE; AUTHORIZING THE DOWNTOWN INVESTMENT AUTHORITY CHIEF EXECUTIVE OFFICER TO EXECUTE ALL DOCUMENTS AND OTHERWISE TAKE ALL ACTION NECESSARY TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.**

Chairman Gillam gave the floor to Mr. DeVault to introduce the Resolution.

Mr. DeVault provided a brief presentation of the Resolution, which urges City Council to adopt a resolution in support of a J-Bill to be considered by the Duval delegation to amend the minimum seating and space requirements for restaurants in the combined Northbank CRA.

Board Member Adams provided a summary of the Strategic Implementation Committee's discussion and support for the Resolution.

**Motion:** Board Member Adams moved to approve Resolution 2021-08-03, as recommended by the Strategic Implementation Committee

Chairman Gillam called for discussion.

Board Member Moody asked Mr. DeVault his thoughts on the impact this change would have. Mr. DeVault stated that he was a part of the effort to reduce this requirement ten years ago in historic 5 Points, and believes it helps support smaller businesses, especially in historic areas where there are smaller spaces.

Chairman Gillam called for a vote.

**Vote: Aye: 7      Nay: 0      Abstain: 0**

**THE MOTION PASSED UNANIMOUSLY 7-0-0.**

**C. RESOLUTION 2021-08-04: NB TID INVESTMENT POOL EARNINGS**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY BOARD OF THE COMBINED NORTHSIDE EAST AND NORTHWEST CRA’S REQUESTING THAT CITY COUNCIL APPROPRIATE PREVIOUSLY UNAPPROPRIATED FY 20-21 INVESTMENT POOL EARNINGS TO FUTURE YEARS DEBT REDUCTION; PROVIDING AN EFFECTIVE DATE.**

Chairman Gillam gave the floor to CEO Boyer to introduce the Resolution.

CEO Boyer provided an overview of the Resolution, stating that it is a board action taking all Northbank Investment Pool Earnings through the end of the fiscal year and recommending the appropriation of them to future years debt reduction.

Board Member Froats provided a summary of the Finance and Budget Committee’s discussion and support for the Resolution.

**Motion:** Board Member Froats moved to approve Resolution 2021-08-04, as recommended by the Finance and Budget Committee

Chairman Gillam called for a vote.

**Vote: Aye: 7      Nay: 0      Abstain: 0**

**THE MOTION PASSED UNANIMOUSLY 7-0-0.**

**D. RESOLUTION 2021-08-06: SS TID INVESTMENT POOL EARNINGS**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY BOARD OF THE SOUTHSIDE COMMUNITY RED REQUESTING THAT CITY COUNCIL APPROPRIATE PREVIOUSLY UNAPPROPRIATED FY 20-21 INVESTMENT POOL EARNINGS TO FUTURE YEARS DEBT REDUCTION; PROVIDING AN EFFECTIVE DATE.**

Chairman Gillam gave the floor to CEO Boyer to introduce the Resolution.

CEO Boyer stated that the Resolution is identical to the previous Resolution, except that it pertains to the Southside CRA.

Board Member Froats provided a summary of the Finance and Budget Committee’s discussion and support for the Resolution.

**Motion:** Board Member Froats moved to approve Resolution 2021-08-06, as recommended by the Finance and Budget Committee

Chairman Gillam opened the floor for discussion.

Seeing none, Chairman Gillam called for a vote.

**Vote: Aye: 7      Nay: 0      Abstain: 0**

**THE MOTION PASSED UNANIMOUSLY 7-0-0.**

**E. RESOLUTION 2021-08-05: NB TID 20-21 BUDGET AMENDMENT**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY BOARD OF THE COMBINED NORTHSIDE EAST AND NORTHWEST CRA’S ADOPTING AN FY 20-21 AMENDED TAX INCREMENT DISTRICT (“TID”) BUDGET AS DETAILED IN EXHIBIT ‘A’ ATTACHED HERETO FOR THE COMBINED NORTHSIDE EAST AND NORTHWEST CRA’S PURSUANT TO SEC. 163.387, F.S. AND SEC. 106.341, ORDINANCE CODE; PROVIDING AN EFFECTIVE DATE.**

Chairman Gillam gave the floor to CEO Boyer to present the resolution.

CEO Boyer provided an overview of the Resolution, which recommends the moving of funds to the proper account from when they were mistakenly put in the Unallocated Planned Authorized Expenditures. Additionally, the Resolution recommends moving the leftover funds from three REV Grants, whose financial obligations have been met, over to a project entitled Banners and Banner Arm Replacement as well as Parks and Programming.

Board Member Froats provided a summary of the Finance and Budget Committee’s discussion and support for the Resolution. CEO Boyer clarified that the Resolution is necessary because Accounting will require documentation to move the misplaced funds to the proper account.

**Motion:** Board Member Froats moved to approve Resolution 2021-08-05, as recommended by the Finance and Budget Committee

Chairman Gillam opened the floor for discussion.

Board Member Citrano asked what kind of improvements does the Parks and Programming fund support. CEO Boyer responded that those dollars help fund programming for parks, such as providing music at events, covering park design fees, and carrying out park studies.

Seeing no further discussion, Chairman Gillam called for a vote.

**Vote: Aye: 7      Nay: 0      Abstain: 0**

**THE MOTION PASSED UNANIMOUSLY 7-0-0.**

**F. RESOLUTION 2021-08-07: SS TID 20-21 BUDGET AMENDMENT**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY BOARD OF THE SOUTHSIDE COMMUNITY REDEVELOPMENT AREA (“CRA”) ADOPTING AN FY 20-21 AMENDED TAX INCREMENT DISTRICT (“TID”) BUDGET AS DETAILED IN EXHIBIT ‘A’ ATTACHED HERETO FOR THE SOUTHSIDE CRA, PURSUANT TO SEC. 163.387, F.S. AND SEC. 106.341, ORDINANCE CODE; PROVIDING AN EFFECTIVE DATE.**

Chairman Gillam gave the floor to CEO Boyer to present the Resolution.

CEO Boyer provided an overview of the Resolution, which recommends moving the leftover funds from two REV Grants and a CRP, whose financial obligations have been met, as well as funds from Unallocated Planned Authorized Expenditures, to the Rivers Edge financial obligation and Future Years Debt Reduction. CEO Boyer added that the Board will be seeing more recommendations to move excess funds into Rivers Edge because the payments are coming due.

Chairman Gillam asked why the Resolution was split into two separate Resolutions. CEO Boyer responded that they are separate to make it more convenient for the Accounting system and avoid challenges in implementation.

Board Member Froats provided a summary of the Finance and Budget Committee’s discussion and support for the Resolution.

**Motion:** Board Member Froats moved to approve Resolution 2021-08-07, as recommended by the Finance and Budget Committee

Chairman Gillam opened the floor for discussion.

CEO Boyer gave the total financial obligations for the CRA Improvements. Discussion occurred regarding the amounts and payment schedules.

Seeing no further discussion, Chairman Gillam called for a vote.

**Vote: Aye: 7      Nay: 0      Abstain: 0**

**THE MOTION PASSED UNANIMOUSLY 7-0-0.**

**G. RESOLUTION 2021-08-08: SS TID 20-21 BUDGET AMENDMENT**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY BOARD OF THE SOUTHSIDE COMMUNITY REDEVELOPMENT AREA (“CRA”) ADOPTING AN FY 20-21 AMENDED TAX INCREMENT DISTRICT (“TID”) BUDGET AS DETAILED IN EXHIBIT ‘A’ ATTACHED HERETO FOR THE SOUTHSIDE CRA, PURSUANT TO SEC. 163.387, F.S. AND SEC. 106.341, ORDINANCE CODE; PROVIDING AN EFFECTIVE DATE.**

Chairman Gillam gave the floor to CEO Boyer to present the Resolution.

CEO Boyer stated that this Resolution transfers funds from Southside CRA Future Years Debt Reduction to the District (Rivers Edge).

Board Member Froats provided a summary of the Finance and Budget Committee’s discussion and support for the Resolution.

**Motion:** Board Member Froats moved to approve Resolution 2021-08-08, as recommended by the Finance and Budget Committee

Chairman Gillam opened the floor for discussion.

Seeing no discussion, Chairman Gillam called for a vote.

**Vote: Aye: 7      Nay: 0      Abstain: 0**

**THE MOTION PASSED UNANIMOUSLY 7-0-0.**

CEO Boyer introduced Ms. Wanda Crowley, the DIA’s new Financial Analyst.

**H. RESOLUTION 2021-08-09: TERMINATION OF ISP-0307-20**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) ADOPTING THE RETAIL ENHANCMENT AND PROPERTY DISPOSTION COMMITTEE’S RECOMMENDATION TO TERMINATE NEGOTIATIONS WITH SPANDREL DEVELOPMENT PARTNERS, THE HIGHEST RANKED PROPOSAL TO ISP-0307-20; REJECT ALL PROPOSALS RELATING TO ISP-0307-20; TERMINATE ISP-0307-20 (THE “NOTICE”); PROVIDING FOR AN EFFECTIVE DATE.**

Chairman Gillam gave the floor to CEO Boyer to present the Resolution.

CEO Boyer provided an overview of the Resolution, stating that it seeks to terminate the current negotiations with Spandrel. Procurement concluded that Spandrel had departed enough from the original response that it was considered a Material Departure and therefore necessitated a new Notice of Disposition. Spandrel has indicated that they are still interested in the property and could recast their bid along with others.

Board Member Barakat provided a summary of the Retail Enhancement and Property Disposition Committee’s discussion and support for the Resolution, adding that the REPD Committee will meet again in September to continue their discussion of the Disposition Terms.

**Motion:** Board Member Barakat moved to approve Resolution 2021-08-09, as recommended by the Retail Enhancement and Property Disposition Committee

Chairman Gillam opened the floor for discussion.

CEO Boyer confirmed that the Disposition Terms for a new RFP would be determined at a later date and laid out the timeline for the RFP. The goal is to have the terms agreed upon in September. If it falls to October, there will be a discussion about whether to let it go until January.

Chairman Gillam stated that he would like CBRE to attend a Board meeting and deliver a small report to update Board Members on what they see changing in the downtown Jacksonville market. CEO Boyer agreed and notified the Board that Willdan will be providing an update on the market feasibility study when to the Board when the presentation is ready in September.

Mr. Chisholm clarified for Board Member Worsham that the September 2<sup>nd</sup> meeting is scheduled for 3:30 p.m.

Chairman Gillam called for a vote.

**Vote: Aye: 7      Nay: 0      Abstain: 0**

**THE MOTION PASSED UNANIMOUSLY 7-0-0.**

**I. RESOLUTION 2021-08-12: PORTER HOUSE MANSION**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) RECOMMENDING THAT CITY COUNCIL APPROVE A DOWNTOWN PRESERVATION AND REVITALIZATION PROGRAM FORGIVABLE LOAN PACKAGE FOR RENOVATIONS TO THE THOMAS V. PORTER HOUSE BUILDING LOCATED AT 510 N JULIA ST (THE “PROPERTY”) PURSUANT TO A REDEVELOPMENT AGREEMENT WITH JWB REAL ESTATE CAPITAL (“JWB”) OR ASSIGNS (“DEVELOPER”); FINDING THAT THE PLAN OF DEVELOPMENT IS CONSISTENT WITH THE DIA’S BUSINESS INVESTMENT AND DEVELOPMENT PLAN (“BID PLAN”) AND THE NORTH BANK DOWNTOWN AND SOUTHSIDE COMMUNITY REDEVELOPMENT AREA PLAN (“CRA 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.**

Chairman Gillam gave the floor to Mr. Kelley to present the Resolution.

Mr. Kelley provided an overview of the Resolution, which is a recommendation to City Council for approval of a DPRP Forgivable Loan for renovations to the Thomas V. Porter House Building located at 510 N Julia St. JWB is proposing retail/restaurant space and office space, as well as a restaurant in the basement of the historic property.

Board Member Adams provided a summary of the Strategic Implementation Committee’s discussion and support for the Resolution, adding that concern was voiced over the program basing the administering of funding on the usage of sell rates versus appraisal rates and what impact that might have on the viability of the fund.

**Motion:** Board Member Adams moved to approve Resolution 2021-08-012, as recommended by the Strategic Implementation Committee

Board Member Barakat stated that he will need to submit a Form 8B.

Board Member Barakat asked for clarification on the Historic Preservation Trust Fund and about the source of the funds for the DPRP loans. Mr. Kelley responded that the HPTF still exists for projects that are \$100,000 or less. DPRP loans are funded through the General Fund through City Council approval.

Board Member Moody stated his support.

Board Member Gibbs stated that he is in support.

Alex Sifakis, of JWB, stated for Board Member Citrano that the office space will not be for JWB offices. The offices are currently in the process of being leased with a tenant.

Board Member Worsham stated her support.

Board Member Froats asked how far off was the purchase price from the market price. Chairman Gillam responded that he believes it was a couple hundred thousand dollars off. Board Member Froats stated his support. Mr. Sifakis provided a brief overview of the current projects that JWB has collaborated with the DIA on.

Chairman Gillam asked if there was any commitment or enforcement mechanism for the retail and the basement restaurant. Mr. Kelley responded that it is reflected in the Intended Use, adding that if it is not used or activated in that way it will be a Default under the agreement. Chairman Gillam asked if it would impact the Forgivable Loans. Mr. Kelley responded that it doesn’t have a requirement for repayment, but that there is a Clawback Provision in each of the loans. Though each loan stands alone, they run concurrently. CEO Boyer added that the

space must be built as restaurant space, and that it would not be a Default if a tenant were to lease it and then leave because the restaurant space was completed and brought up to code.

Chairman Gillam called for a vote.

**Vote: Aye: 7      Nay: 0      Abstain: 0**

**THE MOTION PASSED UNANIMOUSLY 7-0-0.**

**J.      RESOLUTION 2021-08-01: MORRIS**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY APPROVING THE TERMS AND CONDITIONS, AS MORE FULLY IDENTIFIED IN EXHIBIT A, FOR THE REDEVELOPMENT OF DUVAL COUNTY TAX PARCEL NUMBER 088967 0000 (“PROPERTY”) BY FUQUA DEVELOPMENT, LLC (“DEVELOPER”), INCLUDING THE APPROVAL OF A MULTI-FAMILY RECAPTURED ENHANCED VALUE GRANT (“RESIDENTIAL REV GRANT”); APPROVAL OF A RETAIL RECAPTURED ENHANCED VALUE GRANT (“RETAIL REV GRANT”); APPROVAL OF A MIXED-USE RECAPTURED ENHANCED VALUE GRANT (“MIXED-USE REV GRANT”); APPROVAL OF A COMPLETION GRANT; AUTHORIZING THE CHIEF EXECUTIVE OFFICER (THE “CEO”) TO NEGOTIATE A REDEVELOPMENT AGREEMENT PURSUANT TO EXHIBIT A TERMS AND CONDITIONS; RECOMMENDING THAT CITY COUNCIL APPROVE A REDEVELOPMENT AGREEMENT PURSUANT TO EXHIBIT A, TERMS AND CONDITIONS; RECOMMENDING THAT CITY COUNCIL VACATE APPROXIMATELY 0.12 ACRE OF RIGHT-OF-WAY AND 0.12 ACRE OF DRAINAGE EASEMENT (“EASEMENT”); RECOMMENDING THAT CITY COUNCIL APPROVE THE PURCHASE OF APPROXIMATELY 4.6 ACRES OF UPLAND AND SUBMERGED LANDS FOR \$6,040,680 TO FACILITATE WIDENING AND RELOCATION OF MCCOYS CREEK AND CREATION OF A NEW CITY PARK; AUTHORIZING ITS CHIEF EXECUTIVE OFFICER TO TAKE ALL NECESSARY ACTION TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION, INCLUDING BUT NOT LIMITED TO THE FILING OF LEGISLATION AND EXECUTION OF A REDEVELOPMENT AGREEMENT, PURCHASE AND SALE AGREEMENT, OR THEIR FUNCTIONAL EQUIVALENTS; PROVIDING FOR AN EFFECTIVE DATE.**

Chairman Gillam gave the floor to CEO Boyer to present the Resolution.

CEO Boyer provided a presentation on the McCoy’s Creek Capital Improvement Project as it relates to the Morris project development proposal.

- The property is located between the river and Riverside Avenue at the Acosta Bridge ramp.
- The McCoy’s Creek project is a flood control and stream restoration project which also has a link of the Emerald Trail on it. The original capital project funded by the City was to widen the creek and create walkways on either side.
- It is possible to relocate the creek further east under the Acosta Bridge ramp which allows the creek to be wider and provides better protection against erosion. In doing that, it would make the development pad bigger.
- The development proposal shows the relocated creek with a proposed park between the creek and the railroad track. The green to the right of the railroad track is not a part of the proposal.



Mr. Kelley provided the following overview:

- The developer is requesting a REV Grant for the retail component of Phase 1, the residential component of Phase 1, and the mixed-retail and residential components in Phase 2.
- The DIA recommendation includes a REV Grant for the retail component, the multi-family residential component, and a mixed-use component shown as Phase 2 residential.
- The grocer and retail space are proposed in Phase 1, along with two residential buildings and a parking garage.
- Two mixed-use buildings are proposed for Phase 2 that include additional retail, a riverfront restaurant space, and multi-family residential.
- The development is being developed by three different development teams with the overall parcel broken down into four different parcels, including the future park location to be developed by the City.

Board Member Adams provided a summary of the Strategic Implementation Committee’s discussion and support for the Resolution, noting that riverfront retail and riverfront accessibility for the public were major points of discussion.

Board Member Froats asked for updates regarding riverfront retail. Mr. Steve Diebenow, representing Fuqua, responded with the following:

- Regarding resiliency, suggested that a conceptual grading plan is being developed that includes a significant grade change from Riverside Avenue down to the river.
- Stated that two amendments were made at the SIC meeting which are reflected in the Term Sheet.
  - 1) Adding language to page 6, subsection c., stating “This percentage is subject to minor adjustment with the approval of staff.”
  - 2) Adding language to page 8, at the end of the second to last paragraph, stating “except as provided above.”
- Suggested that the riverfront will be activated by the residential buildings that sit on the riverfront.
- Suggested that Fuqua cannot realize the true financial benefit of the project in Phase 2 until the creek is relocated which is why they are hesitant to commit to specific types of users.
- Stated that Fuqua has committed to one restaurant on the creek and one restaurant on the river.
- Suggested that a marina would be difficult and require significant infrastructure investment.
- Provided a revised conceptual site plan handout that differs from the site plan in the Term Sheet.
- Provided a handout with a summary and outline of projected costs for construction of a 3,000 sq ft restaurant.

Board Member Froats asked how the planned grocery store will impact the area with there already being a grocer in the area. Mr. Diebenow responded that there is demand for another grocer and that it will have a significant impact on helping activate the area.

Board Member Froats asked are the property taxes that are already being received considered when calculating the ROI. Mr. Kelley confirmed that they are.

Board Member Worsham noted that the site plan handout is significantly different than the site plan in CEO Boyer's presentation and asked for clarification. Mr. Diebenow responded that the handout indicates where the helipad is in relation to Zones A-D. The handout is a further refined site plan.

Board Member Worsham asked if the residential building could be swapped with the retail building labeled "Shops." Mr. Diebenow responded that it is possible but emphasized the difficulty, adding that the helipad presents the best opportunity for modification, though there are significant challenges associated with that as well.

Board Member Citrano asked whose idea it was to relocate the creek. CEO Boyer responded that the relocation of the creek predates this project. The seller of the property previously discussed the potential relocation of the creek with the City.

Board Member Citrano asked if the staff believes the creek relocation is to the benefit of the community. CEO Boyer responded that the community would benefit greatly by gaining another public park, and that Public Works prefers the relocation as well.

Board Member Citrano asked if the financial incentives are separated into three separate REV Grants. CEO Boyer responded that the developer requested to split the REV Grants by phase or type because there are three different development entities involved. The REV Grant requires that they have a certain amount of retail and restaurant in the Phase 2 portion. Phase 1 residential does not currently have a requirement in it for retail or restaurant. The requirement is for a certain amount of residential and a certain amount of capital investment. Board Member Citrano stated that the Board will need to have a larger discussion regarding riverfront activation, restaurant locations and outdoor seating. Adding that, he would prefer a riverfront restaurant in Phase 1, but is also okay with it being in Phase 2. The main concern is that the space for a riverfront restaurant is accounted for.

CEO Boyer clarified for Board Member Gibbs that the DuPont study is primarily focused on publicly owned property and how the park uses can be integrated. In response to whether riverfront restaurants will be required on private property, CEO Boyer added that a zoning requirement would not be well-received. Instead, it might be preferable to condition incentives.

Board Member Gibbs asked if there is potential for roof top restaurants. Mr. Diebenow responded that it is being considered but doesn't think it is feasible in the residential buildings. The cost is challenging.

Board Member Moody stated his support and asked what the timeframe would be for Phase 1. Mr. Diebenow responded that (the commencement date of Phase 1 is three months following receipt of building permits, but no later than March 31<sup>st</sup>, 2023\*) the completion date for Phase 1 of the project in the Term Sheet is September 2025. (The Phase 2 commencement date is triggered upon DDRB approval and receipt of the building permit following the completion of the McCoy's Creek relocation with substantial completion required within 30 months following commencement\*). Mr. Diebenow confirmed that they have already committed to a riverfront restaurant in Phase 2.

Board Member Barakat asked for clarification regarding the valuation of the parcels. Mr. Kelley responded that the parcels in total were valued at \$60 per sq ft, and the internal allocation of values by Fuqua is based on the economics of what can be derived from the development in one area versus another – an example being the residential area versus the mixed-use area. CEO Boyer added that the REV Grant calculation is independent from the calculation of the gap using the Operating Pro Forma.

*\*Added for clarification*

Board Member Barakat stated that retail comes to \$375 per sq ft per month, while residential rents are averaging between \$245 and \$265 per month and emphasized that retail is desirable. Furthermore, the community has consistently expressed a desire for retail and riverfront activation. Board Member Barakat stated his concern for the developer’s lack of interest in providing retail in Phase 1.

Board Member Adams asked what happens if Phase 2 isn’t built. Chairman Gillam responded that the developer does not receive the Phase 2 incentive package. CEO Boyer added that the REV Grants for Phase 1 and Phase 2 had to be separated so that the Phase 1 residential developer was not at risk from the actions of the Phase 2 residential developer. Board Member Adams stated that he would no longer be in support of the Resolution given this situation.

Chairman Gillam stated his appreciation for the developer’s interest in the property but also described the City’s portion of the risks associated with the project. Furthermore, he would like to eliminate the liquidated damages provision and see a requirement for a riverfront restaurant.

*10-minute intermission.*

Board Member Adams who was previously attending the meeting via Zoom, joined the meeting in-person.

Mr. Diebenow stated the developer believes they have satisfied the retail and riverfront activation requirements, that the city is minimizing risk by utilizing a REV Grant instead of providing funds upfront, and they are bound by a confidentiality agreement from disclosing the purchase price but ensured the price is in line with the appraisal value and consistent with other riverfront properties.

Mr. Diebenow made the following proposal:

- Fuqua will develop a 3,000 sq ft restaurant in Phase 1 at a location to be determined. Cost would be split between the DIA and Fuqua.
- The developer is at significant risk if Phase 2 doesn’t happen, and if the creek never gets relocated.
- The developer would remove the liquidated damages provision from the Term Sheet, but asks that the Board gives the Staff authority to contemplate alternative remedies to deal with the risk.
- Regarding resiliency, the Developer has a storm water and flooding solution.

Board Member Citrano went on record stating that he filed a Form 8B before the meeting.

Mr. Diebenow stated that his client would like to resolve any disagreements at the present time and opposes any delay.

Board Member Adams expressed that without additional details he would prefer to table the motion, otherwise Call the Question.

**Motion:** Board Member Adams made a motion to Call the Question

**Second:** None

Board Member Barakat asked for clarification regarding the developer’s proposal. Mr. Diebenow confirmed that his client is proposing 3,000 sq ft of retail space at the helipad or within one of the residential buildings. Board Member Barakat stated that he is not inclined to support the current Resolution.

Board Member Barakat asked for Mr. DeVault’s opinion regarding the best metric for a restaurant requirement. Mr. DeVault responded that seating would be a good metric to consider, adding that, for comparison, BB’s restaurant is 3,600 sq ft and seats 100 including outdoor seating. Mr. DeVault encouraged a requirement that the restaurant be able to serve at least 100 meals at one time and that 51 percent or more of sales come from food so that a special food service license can be obtained. Mr. DeVault passed out a handout that includes a list of recommended restaurant requirements. The list includes:

- Minimum of 2,500 sq ft in enclosed space
- Able to serve meals to 100 or more patrons at one time
- Must derive 51% or more of revenue in food sales
- Must have additional outdoor seating on the river
- Rooftop seating strongly encouraged
- Cannot block the view corridor
- Permitted in Zone A

Board Member Barakat stated that he is in support of the listed requirements and asked if the Related restaurant requirement was 2,500 sq ft indoor and 2,500 sq ft outdoor. CEO Boyer responded that it was not, the requirement was considerably smaller and would not qualify for the liquor license. Board Member Barakat added that he believes the first, second, and fourth bullets are the most important and stated his concern for the marketability of the helipad. With the option of being on the helipad, the current proposal would not have his support.

Mr. Diebenow stated he has no issue with the requirements, though he does not know where the location would be and hopes the board is willing to be flexible.

Board Member Citrano asked if the renegotiation of the liquidated damages would come back to the Board for approval. CEO Boyer said that they would be something that staff resolves through the negotiation of the redevelopment agreement, noting that Mr. Sawyer has stated he has never seen liquidated damages in a City agreement and does not think they would be permissible.

Board Member Moody stated that he believes the development is a good place for a restaurant as described in the listed terms.

**Motion:** Board Member Moody moved to Amend Resolution 2021-08-01 to include a requirement that the Phase 1 development include a restaurant of 2,500 to 3,500 sq ft; and comply with some of the requirements offered by Mr. DeVault; and authorize the renegotiation of the liquidated damages

**Second:** Board Member Gibbs seconded the motion

**Motion:** Board Member Worsham offered a friendly amendment to Board Member Moody’s motion, to include all the requirements offered by Mr. DeVault

**Second:** Board Member Moody seconded the motion

Mr. Diebenow clarified for Board Member Froats that the developer is requesting the City cover 50 percent of the cost, not to exceed a designated number. Board Member Froats responded that he would not support \$1M but would be in favor of a deal similar to the River City deal.

Board Member Barakat stated that without a specified location for the riverfront restaurant, he would not be in favor.

CEO Boyer stated that the helipad could provide up to 2,500 sq ft of enclosed space with outdoor seating. There is potential for up to 3,000 sq ft.

Chairman Gillam called for a vote.

**Vote: Aye: 5** (Moody, Gibbs, Citrano, Worsham, Gillam)  
**Nay: 3** (Adams, Barakat, Froats)  
**Abstain: 0**

### **THE MOTION PASSED 5-3-0.**

Board Member Gibbs asked for clarification on what the restaurant development would cost. Referencing a handout which lays out the developer's projected total cost provided by Mr. Diebenow, CEO Boyer confirmed that a freestanding building is expected to total \$2.2M. Though, if the restaurant is located inside a building, the cost would be considerably less.

Mr. DeVault stated that he is not sure what costs would be associated with parking, but the soft costs as laid out in the handout appear to be accurate.

**Motion:** Board Member Gibbs moved to amend the amended Resolution to include that the City cover 50 percent of the cost up to \$2M

**Second:** Board Member Moody seconded the motion

Board Member Froats stated concern for resiliency and exposure regarding the helipad. CEO Boyer responded that the developer has indicated that the helipad is desirable due to its proximity to the river and it not having an adverse impact on the multi-family development design. Some of the challenges associated with the location according to Mr. Diebenow include:

- Building it up while maintaining good access to the Riverwalk
- Providing operational services service as commercial deliveries, waste management,

Board Member Froats stated his concern that Phase 2 is not completed and there is no retail space. Mr. Diebenow responded that both the developer and the City are taking on significant risk if Phase 2 is not completed.

Mr. Diebenow proposed that if the helipad does become the option, they would slide the restaurant back and reroute the Riverwalk. Adding that, the property is high and neither a coastal hazard or a flood plain.

Board Member Worsham noted the difference between the two site plans. She is in support of a mixed-use development on the river that brings activation but is hesitant with the little amount of site plan information available.

Board Member Citrano asked how would the DIA cover the proposed shared cost? CEO Boyer responded that it would be paid with a Completion Grant but that it would be challenging to differentiate the cost associated with the restaurant from the cost associated with the building.

Board Member Barakat voiced his concern with the lack of information.

Board Member Adams voiced his concern with the lack of information.

Board Member Moody stated that this project is similar to the River City Brewery project.

Board Member Froats stated that the seller wants to sell the property for the capital gains tax.

Mr. Diebenow proposed a cap of \$750,000 and removing the parking cost from what the City and the developer split.

Chairman Gillam stated that he would prefer the process to not be rushed. The Board agreed to a Special Meeting on September 2<sup>nd</sup>, in place of the previously scheduled REPD Workshop.

**Motion:** Board Member Moody offered a friendly amendment to Board Member Gibb’s motion, to accept the developer’s proposal of splitting the cost of the restaurant, with a cap of \$750,000. Parking will be covered solely by the developer.

**Second:** Board Member Gibbs seconded the motion

Chairman Gillam called for a vote.

**Vote: Aye: 4** (Moody, Gibbs, Citrano, Froats)  
**Nay: 4** (Adams, Barakat, Worsham, Gillam)  
**Abstain: 0**

**THE MOTION DID NOT PASS 4-4-0.**

Chairman Gillam called for a motion

**Motion:** Board Member Adams moved to defer the Resolution to a date certain

**Second:** Board Member Barakat seconded the motion

Chairman Gillam called for discussion.

Seeing none, Chairman Gillam called for a vote.

**Vote: Aye: 5** (Froats, Worsham, Barakat, Adams, Gillam)  
**Nay: 3** (Citrano, Gibbs, Moody)

**Abstain: 0**

**THE MOTION PASSED 5-3-0.**

Chairman Gillam stated that the DIA portion of the meeting will be taken up at the September 2<sup>nd</sup> Special Board Meeting.

*WALK-ON*

**RESOLUTION 2021-08-15: JACKIE MOTT RECOGNITION AND APPRECIATION**

Chairman Gillam thanked Jackie Mott for her time and service to the Downtown Investment Authority as she will be retiring August 27<sup>th</sup>.

Chairman Gillam opened the floor for discussion.

Each Board Member thanked Mrs. Mott and wished her well in her future endeavors.

Chairman Gillam called for a motion.

**Motion:** Board Member Adams moved to approve Resolution 2021-08-15

**Second:** Board Member Gibbs seconded the motion

Chairman Gillam called for a vote.

**Vote: Aye: 8      Nay: 0      Abstain: 0**

**THE MOTION PASSED UNANIMOUSLY 8-0-0.**

**ADJOURNMENT:** The Community Redevelopment Agency proceedings are adjourned at 5:20 p.m.

*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 Xzavier Chisholm at [xchisholm@coj.net](mailto:xchisholm@coj.net) to acquire a recording of the meeting.*