

RESOLUTION 2019-09-01

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY ACTING AS THE SOUTHSIDE AND COMBINED DOWNTOWN NORTHBANK COMMUNITY REDEVELOPMENT AGENCY BOARDS ADOPTING A POLICY REGARDING THE PROCESS FOR HANDLING UNSOLICITED PROPOSALS TO PURCHASE OR LEASE PROPERTY WITHIN THE COMMUNITY REDEVELOPMENT AREA IN ACCORDANCE WITH FLORIDA STATUTE 163.380 AND CITY OF JACKSONVILLE ORDINANCES; PROVIDING AN EFFECTIVE DATE.

WHEREAS, in accordance with F.S.163.380 and applicable City of Jacksonville Ordinances, the DIA has the authority to accept and respond to unsolicited proposals to purchase or lease property within the community redevelopment areas subject to the terms of those laws and ordinances and the terms of the applicable CRA plans; and

WHEREAS, in order to eliminate confusion among those who may wish to lease or purchase property and to establish fair and efficient procedures for the handling of unsolicited proposals and the orderly disposition of property in execution of the Community Redevelopment Plans, a consistent policy and process should be established;

NOW THEREFORE, BE IT RESOLVED by the Downtown Investment Authority:

Section 1. The DIA hereby adopts the Unsolicited Proposal Policy attached hereto as **Exhibit 1** regarding unsolicited proposals for purchase or lease of City-owned property within Downtown.

Section 2. This Resolution shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY


Craig Gibbs, Chairman

9/18/2019

Date

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

EXHIBIT 1 to 2019-09-01

Unsolicited Proposal Policy Downtown Investment Authority (DIA) Community Redevelopment Areas

This Unsolicited Proposal Policy, as approved and established by the DIA Board on September 18, 2019 shall be used by the Downtown Investment Authority in reviewing and responding to unsolicited proposals regarding the purchase, lease or development of City-owned property for non-public use. (Unsolicited proposals for public use fall under FS 255.065 and policies adopted thereunder)

Applicability: An unsolicited offer is one that is submitted to DIA by a third party without prior negotiation and support of DIA staff. This policy shall not apply to dispositions initiated by DIA pursuant to negotiation with a particular purchaser. All dispositions shall comply with the Property Disposition Policy as required by Florida Statutes.

A. Offers at or above FMV and less than \$25,000.

For proposals to purchase or lease property at or above fair market value, with a fair market value of less than \$25,000, the proposer may submit a letter of interest identifying the parcel, the purchase price offered, and the intended use of the parcel.

- a. If the DIA staff determines the sale or lease of the property and its intended use is consistent with the BID and CRA plan and applicable neighborhood plan, and is in the best interest of the CRA, the staff shall negotiate with the applicant and present a term sheet to the Board for consideration as soon as reasonable practicable.
- b. If the staff determines that the offer is not in the best interest of the CRA, they shall advise the board accordingly and recommend rejection of the offer.
- c. If the Board elects to move forward with sale, the informal notice of disposition procedure below shall be followed.
- d. If an appraisal is required by Jacksonville ordinance code, the bidder must pay for an appraisal and the sale must be at or above the fair value as determined by the appraisal. If no appraisal is required by ordinance, then the assessed value shall be used to determine fair value.

B. Offers below FMV or in excess of \$25,000 (require City Council approval)

1. Minimum Content of Submittal required for Consideration.

- a. A letter of interest indicating the developer's interest and commitment to develop the parcel
- b. The developer shall submit a written detailed description of the proposed development including the types of uses, square footage of each use, and the development objectives
- c. Offer price, including any contingencies as well as the current assessed or appraised value of the property

- d. Long term benefits to the public that will be achieved if property is transferred
- e. Compatibility with the BID and applicable CRA and neighborhood plans
- f. Any restrictions, covenants, conditions, obligations assumed by purchaser and/or DIA
- g. How it achieves the objective for the prevention of the recurrence of slum or blight
- h. Evidence of financial and legal ability to carry out proposals. Developers shall submit a financial plan for the proposal including acquisition costs; site development and building construction costs; professional fees; sources and amounts of equity, construction and permanent financing; indication of tenancy interest or commitments; and other sources of operating income as well as any incentives or improvements to be provided by the City/DIA. Developers should submit any additional information or financial data which would assist in evaluating the financial viability of the proposal (i.e., tax revenues or other income generations) and anticipated ROI. The plan should also indicate projected employment levels and construction timetable (from start to completion). A marketing plan may be required.
- i. The developer shall submit a statement of qualifications of the development team including resumes of key individuals and examples of previous development work. Qualifications of the project architect should also be submitted with examples of previous work. Please indicate whether the development team has worked together on past projects. The developer should also provide a recent certified financial statement or other satisfactory evidence of financial capacity to perform.
- j. The developer shall submit drawings illustrating the design character of the development. The submission shall include, at a minimum, a site plan indicating site location, building location, parking plan, landscaping and other uses; building elevations and floor plans and an architectural rendering of the development may be required by the staff of DIA if deemed necessary for evaluation of consistency of the proposed development.
- k. Any necessary zoning or land use changes
- l. Developer shall provide an appraisal of the property which is the subject of the offer, prepared within the preceding 90 days by a licensed Florida Appraiser. Alternatively, the developer may agree in writing to reimburse DIA for the cost of an appraisal to be secured by DIA.

2. Process to be followed by DIA staff

- a. Staff shall conduct a preliminary sufficiency review within 30 days of receipt. Staff shall have the authority to reject any proposal
 - i. That does not meet the minimum content criteria above,

- ii. That impacts a parcel that is land banked for future use or is scheduled for an RFP, RFQ or other formal disposition/development process
 - iii. In the sole discretion of the CEO, is not in the best interest of the CRA
 - iv. At the next regularly scheduled Board meeting, the CEO shall include in his or her report, a summary of all proposals rejected pursuant to this section.
- b. If the proposal is deemed sufficient and proceeds to staff review, the applicant shall be required to submit an application review fee of One Thousand and No/100 dollars (\$1000.00) and if no appraisal was provided by developer at the time of submittal, sufficient additional funds as may be required to cover the cost of the appraisal to be obtained by DIA for the property.
- c. The DIA staff shall proceed to evaluate any proposal deemed sufficient on the following criteria:
 - i. Conformance of development proposal with CRA plans, policy and objectives.
 - ii. The qualifications and experience of the developer and project team/consultants.
 - iii. Project economics – Economic feasibility of the project, revenue generation/job creation and other economic impacts.
 - iv. The overall quality of the design concept.
 - v. The financial offer and other income generated to the City.
 - vi. The overall development and construction schedule.
 - vii. Adequacy of promotion, marketing, and management plans, as applicable.
- d. This review shall be completed as soon as reasonably practicable but no less than 120 days from receipt and the recommendation of staff shall be presented to the next Strategic Implementation Committee meeting or regularly scheduled Board meeting

3. Process to be followed by Board of DIA

If based on evaluation, the Strategic Implementation Committee recommends consideration by the Board, the Board shall make a decision to

- a. Reject the offer
- b. Negotiate with this applicant (and go to required 30 day notice period once contract terms have been agreed upon) OR
- c. Open to notice of disposition- select process to be followed

4. Negotiation with applicant

- a. If the Board elects to proceed with negotiation with the applicant prior to issuance of a notice of disposition, the CEO shall be authorized to enter into negotiations to refine the terms of the offer and arrive at a best and final term sheet prior to the next Board meeting. Such term sheet shall be

presented to the Board at its next meeting and if approved, will form the basis for the notice of disposition.

5. Formal Notice of Disposition

- a. If the Board elects to open the process to a Formal Notice of Disposition prior to negotiation, the adopted Notice of Disposition policy for Formal Disposition shall apply.
- b. Within the 30 days following such Board meeting, the Strategic Implementation Committee shall meet and establish the scope of the disposition to be issued, the evaluation criteria to be considered and the points to be assigned to each and such other information as required in the Notice of Disposition policy. The Committee recommendation shall be presented for consideration and adoption by the Board at its next regularly scheduled meeting.

6. Informal Notice of Disposition

- a. For proposals to purchase City-owned property at or in excess of fair market value and for less than \$25,000, following a determination by staff of the DIA that the disposition is consistent with the CRA Plan and in the best interest of the CRA, the CEO may initiate an Informal Notice of Disposition Process.