



**BUSINESS  
INVESTMENT &  
DEVELOPMENT  
STRATEGY UPDATE**  
**JUNE 2022**



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# EXECUTIVE SUMMARY

According to its mission statement, the Downtown Investment Authority serves “to drive growth in business and investment...” Using incentive programs, strategic partnerships, capital investments, planning, advocacy, marketing, and policy, the DIA strives to attract investment, facilitate job creation and increase Downtown housing and retail. Its six economic development priorities focus on Downtown Jacksonville’s resurgence: business **retention**, **attraction**, and **expansion**, residential **increase**, retail **attraction**, and public **infrastructure**.

- Business **retention** is the process of supporting and retaining established businesses in order to achieve a reliable and diverse revenue stream that continually improves Downtown’s fiscal health.
- Business **attraction** includes actively pursuing private investment and new business aimed at stimulating the Downtown local economy and generating employment opportunities.
- Business **expansion** capitalizes on both established and emerging companies that are prepared to grow and invest in their operations.
- Residential **increase** includes a focus on programs that incentivize multi-family rental and ownership programs for millennial to active adults.
- Retail **attraction** includes a focus on programs that incentivize new retail business, and in particular restaurants and entertainment venues, that support a vibrant urban lifestyle.
- Lastly, improvements to public **infrastructure** strengthen the DIA’s ability to create an environment that results in retaining, attracting, and expanding business and residents.

The newly stated Goals, outlined in both the **Community Redevelopment Area (CRA) Plan and the Business Investment and Development (BID) Strategy, are integral tools for the success of the BID Strategy.** The Goals state the specific outcomes the Downtown Investment Authority (DIA) expects to accomplish in support of its mission. The result of detailed discussion by the DIA board and staff, these goals indicate the DIA’s direction and priorities. Each goal has strategic objectives and benchmarks that provide action-oriented tasks by which the goal may be carried out. These are critical in the DIA’s ability to implement a systematic and consistent plan in order to communicate DIA successes to stakeholders, constituents, and elected officials.

The BID Strategy is a tool that supports the CRA Plan. The time frame for the CRA Plan is governed by Florida Statutes, allowing for its three (3) Tax Increment Finance (TIF) Redevelopment Trust Funds to reach completion in 2040, 2041, and 2044. However, the BID is not governed by Florida Statutes and has a projected time frame of 2022 through 2033. The BID Strategy manages the allocation of DIA funding resources and the implementation of projects, programs, and initiatives. These projects, programs, and initiatives are identified in greater detail in the CRA Plan’s near, mid, and long-term projects and umbrellas. **It is important to note that while the BID supports the CRA Plan and the allocation of TIF Redevelopment Trust Fund dollars, the BID’s range of funding exceeds the CRA Plan’s TIF dollars.** The BID identifies an array of local, state, and federal incentives and funding programs; and outlines decision-making criteria by which projects, programs, and initiatives are selected and measured. The TIF Redevelopment Trust Fund projections are located in the CRA Plan, reflecting each TIF Redevelopment Trust

Funds’ annual projections based upon the frozen value of the privately owned properties in each of the three (3) TIF Areas and their ad valorem taxes based upon the current millage rate. As the millage rate fluctuates, the TIF Projections must be recalibrated.

The implementation phasing for proposed projects is outlined in the section referred to as the “**Years Tables.**” In addition, there are specific Sites and Projects, each with unique character that are identified in the “**Catalytic Activity with Undetermined Time frames**” list whose time frames for development will be market-driven. The grouping of projects has been organized by their recommended time frames to establish order and prioritization. The funding for each project is listed as funds become available and/or are projected in order to activate the project. Each project also identifies who is responsible for its execution; the page on which it is referenced in the CRA Plan; and the goals that it is anticipated to support. **The Years Tables are not static tools.** These tables are not only used to program funding and plan for execution, but also serve as the first phase of the BID’s review and evaluation method specified by Tier One (1) further explained in the **Implementation of the BID** section. They are to be closely monitored in conjunction with assessments of development activity, the development market, and the City of Jacksonville’s Capital Improvement Plan (CIP). **The DIA has the ability to update the tables as needed, whether that means moving projects from one time frame to another, eliminating them, or adding new projects.** Fundamentally, the Years Tables are active project tracking tools to manage the allocation of the DIA resources.



# INTRODUCTION

Stimulating the local economy, expanding the tax base, creating quality jobs, and maintaining a positive balance between growth and social equity creates a thriving economy and generates revenues for public services. Investments directed toward projects, programs, and initiatives that attracts private capital and stimulates development activity that generate new wealth within Downtown Jacksonville is the focal point of this Business Investment and Development (BID) Strategy. This document serves as a market-driven guide for the Downtown Investment Authority (DIA) Governing Board policy considerations in shaping Downtown Jacksonville's economic growth from 2022 - 2033. The BID emphasizes economic vitality as the DIA proactively focuses on supporting the local economy's ability to adapt to changing conditions in order to thrive. The BID Strategy contains specific goals and performance measures that link the recommendations of the Downtown Jacksonville Community Redevelopment Plan (the "Plan") with the DIA's mission and sets forth an action plan for continuous community renewal that also prevents the deterioration of Downtown Jacksonville.

The DIA partners with the business and development communities to spur private investment which generates wealth through increased employment opportunities, local tax base expansion, new

development, and raising property values. Public and private partnerships are essential to the success of the economic development programs outlined in the BID. It is important to add that private investment and growth, if done correctly, is the only viable way to increase tax revenues and public services for local community benefit without increasing taxes.

The DIA has three overarching functions:

- To act as the Community Redevelopment Agency that manages the Community Redevelopment Area (CRA) Plan's goals, core values and the implementation of the near, mid, and long term projects, programs, incentives, and initiatives;
- To effectively manage and allocate funds from the Tax Increment Finance (TIF) Trust Fund in correlation with identified projects, program, and initiatives in the CRA Plan; and
- To leverage additional funds to achieve DIA goals.

**This BID Strategy is designed to be easily discernible, focused, and flexible while being programmed specifically with funded and proposed projects and programs for each of the next ten (10) years.**



# MISSION, CORE VALUES, AND GOALS

## Mission

To drive growth in business and investment, create a vibrant urban living environment and enhance quality of life in Downtown Jacksonville through the transparent and responsible leveraging of public investments, assets, infrastructure, and policy.

## Vision

Downtown Jacksonville is a dynamic, resilient, people friendly, urban center that capitalizes on the importance of the River and is the premier center for business, sports & entertainment, culture, and urban living in the heart of the Southeastern U.S.

## Core Values

There are four economic development Core Values that are going to help shape Downtown Jacksonville's resurgence:

- Integrity
- Stewardship (of public funds, land, assets, culture, and the river)
- Responsiveness
- Transparency

## Goals

Goals are integral parts to any business investment strategy. Goals state the specific outcomes the Downtown Investment Authority (DIA) expects to accomplish in support of its mission. All strategies and action items comprising the output of the DIA are aimed at achieving the following eight

(8) goals. These goals provide the framework and direction for the DIA to connect with key stakeholders, assess and evaluate situations and circumstances related to local and regional economic development, address the needs of the community in caring for and expanding the physical environment for commerce, and putting it all together to ensure the vibrancy of Downtown Jacksonville's economy. In addition, each goal has strategic objectives and benchmarks:

- Strategic objectives support the goal and provide further action-oriented tasks by which the goal may be carried out.
- Benchmarks allow for each goal to be measured, evaluated, and reported.

These are critical in the DIA's ability to implement a systematic and consistent plan and to communicate DIA successes to stakeholders, constituents, and elected officials. NOTE: There are external and internal benchmarking methods. The external benchmarking methods are to measure, evaluate, and report outcomes from the various projects, programs, and initiatives. The internal benchmarking methods are for the DIA to monitor its administrative efforts for effectiveness, accountability, and direction, as well as, to provide information and data to report to City Council and the State of Florida. To ensure that each of the benchmarks is measurable, data sources for each have been identified and incorporated therein for reference.



# Redevelopment Goals

No. 1 Increase commercial office utilization, occupancy, and job growth to reinforce Downtown as the region’s epicenter for business.

## Strategic Objectives

- Improve the occupancy rates of existing Downtown commercial office buildings. (T/E)
- Promote development of new owner occupied or build to suit offices when accompanied by job creation and consistent with the adopted Public Investment Policy and existing building stock does not satisfy the needs of the tenant/owner. (T/E)
- Grow or maintain the Downtown workforce each year by adding new permanent jobs and/or retaining existing permanent jobs within Downtown. (T/E)
- Encourage more efficient utilization of existing parking structures and discourage the construction of new parking structures exclusively for use of single building tenants by employing tools such as shared-use parking, employer provided shuttles and trolleys, transit vouchers and similar programs. (T/E)
- Contribute to resiliency, flexibility, and responsiveness to change in utilization of Downtown commercial office space through innovation and creativity in policies and permitting, by incentivizing technology upgrades and WELL modifications to existing office buildings and by the repurposing of unoccupied office space, where appropriate. (WELL modifications and repurposing are T/E)
- Facilitate restoration and rehabilitation of Downtown’s historic building stock for productive commercial office use. (T/E)

- Leverage incentive packages to include partnerships with recipients to fund maintenance and programming of adjacent park spaces and to encourage promotion of Downtown events and activities to employees and customers of incentive recipients.

## Benchmarks

- Number of Permanent Jobs/FTE in Downtown (using DVI annual report data)
- Total office square footage within Downtown (using DVI annual report data)
- Downtown Office Space Vacancy Rate (using CBRE Marketview Quarterly report or CoStar data if available)
- Tax Value of Commercial Office buildings and Impact to TIF and Future Projections (using data provided by the Duval County Tax Collector’s Office)
- Number/square footage of new office buildings constructed (using DVI annual report data)
- Value of new office buildings constructed per building permits issued
- Number of corporate Headquarters offices in Downtown (Fortune 50,100, and 500 per Jax USA)
- Number of historic buildings restored to office use and square footage of office space therein (using COA data from HPS)
- Number of incentive recipients directly funding maintenance or programming of adjacent park spaces (Compliance Manager to record per executed RDA)

- Number of new shared use parking spaces put into service or existing spaces formally made available for shared use pursuant to DIA agreements or incentives
- Number of new or renovated office buildings incorporating resilient features (using building permit checklist)

## DIA Tasks

- Compare to Current Market Feasibility Study
- Annually review current BID “Years Tables” and Revise per Priority and Funding
- Track Benchmarks for DIA Internal Target Reporting
- Track growth in commercial office rents



# No. 2 Increase rental and owner-occupied housing Downtown targeting diverse populations identified as seeking a more urban lifestyle.

## Strategic Objectives

- Actively pursue a minimum of 8,140 built and occupied multi-family dwelling units by 2030; and strive to induce construction of 425 multi-family dwelling units per year, on average. (T/E)
- Improve the breadth and diversity of housing options across Downtown to provide all types, and varied price ranges, of rental and owner-occupied opportunities, including mixed-income and mixed-use structures. (T/E)
- Institute DIA led marketing efforts for downtown housing opportunities targeting potential residents, and potential developers on a local, regional, state, and national level.
- Align incentives with market conditions of different neighborhoods and geographic areas within Downtown to ensure quality developments that provide a diversity of housing options in each District.
- Maximize utilization of existing parking structures and minimize construction of new parking structures exclusively for use of single building tenants by employing tools such as shared-use parking, proximity to shared transportation, and similar programs. (T/E)
- Facilitate the restoration and rehabilitation of Downtown’s historic building stock for multifamily and attached dwelling units. (T/E)
- Leverage incentive packages to include partnerships with residential development recipients to fund maintenance and programming of adjacent park spaces, and to encourage promotion Downtown events and activities to residents of new developments.

- Contribute to resiliency in design and construction of new residential buildings, and flexibility in response to changing residential demand for unit sizes, home workspaces, amenities, and future conversion of parking. (T/E)
- Ensure that no incentives are provided to a Riverfront/Riverwalk frontage residential development unless the development includes a minimum 3,000 square foot waterfront restaurant accessible to the public from the riverfront.
- Ensure that no residential incentives, mobility credits or other incentives are provided to any residential development exempt from ad valorem taxes.
- Promote development that incorporates access by a wide range of physical capabilities beyond the minimum ADA/Fair Housing regulatory requirements. (T/E)

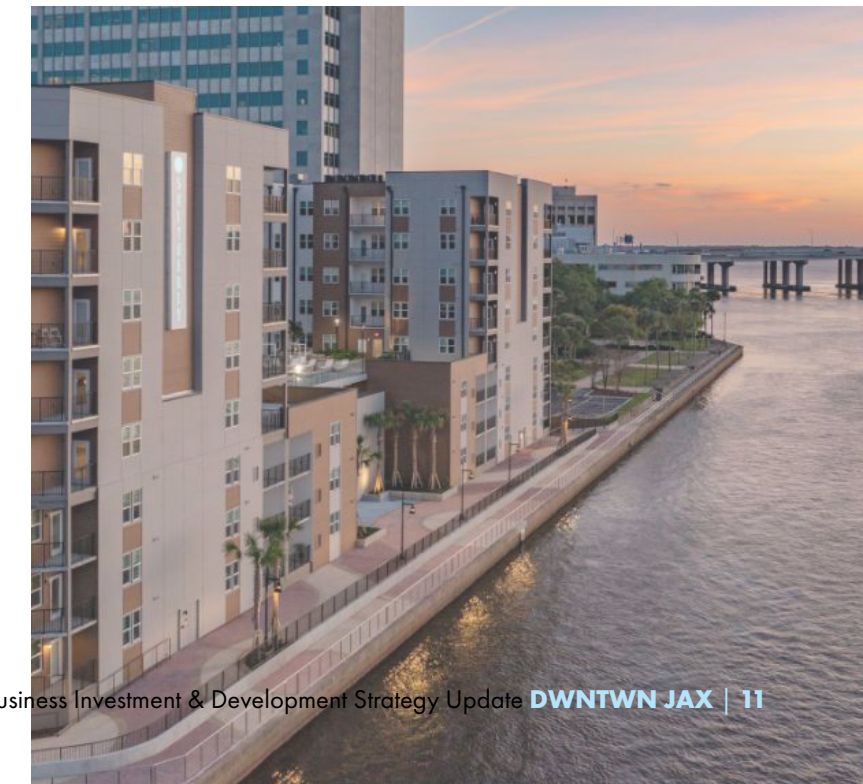
## Benchmarks

- Number of Residents (Using DVI annual report data)
- Number of Residential Units (Using DVI annual report data)
- Tax Value of residential units and Impact to TIF and Future Projections (using data provided by the Duval County Tax Collector’s Office)
- Multifamily Housing vacancy rate (using data provided by NAI Hallmark)
- Annual private Capital Investment in new residential developments (using building permit data)

- Annual number of Multi-Family Units Commenced and number completed (DVI annual report)
- Number of affordable and workforce housing units (using Schimberg or Florida housing data)
- Number of “for sale” residential units (condo, townhome, etc.) as opposed to “for rent” (DVI annual report)
- Number of new shared use parking spaces put into service or existing spaces formally made available for shared use pursuant to DIA agreements or incentives (Compliance Manager per RDA’s)
- Number of historic buildings restored to residential use and number of units therein (using COA data from HPS)
- Number of incentive recipients directly funding maintenance or programming of adjacent park spaces (Compliance Manager per RDA’s)
- Number of new or renovated residential developments incorporating resilient features (using building permit checklist)
- Number of DIA incentivized new or renovated residential developments and units incorporating features that go beyond minimum ADA/Fair Housing regulatory requirements (determined by Director of Downtown Development upon project plan review)

## DIA Tasks

- Compare to Current Market Feasibility Study; adjust geographic bonuses as appropriate
- Review Current BID “Years Tables” and Revised per Priority and Funding
- Track growth in average market rate residential rent
- Track benchmarks for Internal DIA Target Reporting
- Annually answer whether marketing effort implemented that year and assess its effectiveness
- Monitor housing availability at varying cost points within each district to meet housing needs across a wide strata of income levels.
- Monitor housing availability within each district that meet housing needs of those members of our community with disabilities.
- Multifamily Housing vacancy rate



# No. 3 Increase and diversify the number and type of retail, food and beverage, and entertainment establishments within Downtown.

## Strategic Objectives

- Facilitate adaptive reuse of vacant and underutilized storefronts for retail, food and beverage and entertainment establishments. (T/E)
- Encourage growth of outdoor dining and entertainment options, most specifically within designated food and beverage districts and on the waterfront. (T/E)
- Increase the number of retail, food and beverage, and entertainment establishments that are open for business weekends and other times outside of weekday business hours. (T/E)
- Add a major new grocer within Downtown by 2025 and one or more additional by 2030. (T/E)
- Pursue the addition of one or more new neighborhood restaurant/entertainment venues in each District by 2025 and a second by 2030. (T/E)
- Add one or more retail drugstores that include specialty consumer products and health services as well as pharmacies within Downtown by 2025 and a second by 2030. (T/E)
- Support expansion and growth of existing entertainment and restaurant facilities with emphasis on broadening days and hours of operation. (T/E)
- Maximize use of on-street parking and public garages for patrons of local dining and entertainment establishments, and dedicate areas for valet, and vehicular drop-off and pick-up locations.
- Facilitate the restoration and rehabilitation of Downtown’s historic building stock for

use by retail/beverage/entertainment establishments. (T/E)

- Contribute to resiliency, flexibility, and responsiveness to change in utilization of Downtown commercial retail space through innovation and creativity in policies and permitting, and by incentivizing the repurposing of unoccupied storefront space, where appropriate. Create, foster, and preserve affordable space for artists and art organizations, in particular vacant and unused spaces.

## Benchmarks

- Number of operating restaurants/entertainment venues by District (DVI annual state of Downtown)
- Number of storefronts incentivized for retail redevelopment (Compliance Manager per executed RDA’s)
- Tax Value of freestanding single tenant or multi-tenant retail, restaurant and entertainment venues and Impact to TIF and Future Projections (mixed use included elsewhere as office, hotel or residential)
- Number of sidewalk enhancement grants awarded (Compliance Manager per executed RDA’s)
- Number of outdoor/sidewalk food and beverage venues (annual, Redevelopment Coordinator to track)
- Number of new food and beverage establishments that opened on waterfront (DVI annual report)
- Number of new food and beverage establishments in The Elbow and in the Laura/Hogan corridor (DIA staff from data in DVI annual report)

- Number of retail, food and beverage, and entertainment venues open weekends and after work hours on weekdays (DVI survey-self reported)
- Number of full-service grocers within Downtown, by District (DIA Staff)
- Number of pharmacies within Downtown, by District (DIA Staff)
- Number of existing retail businesses receiving DIA incentives that expanded in size (Project profile and RDA’s)
- Number of new shared use parking spaces put into service or existing spaces formally made available for shared use pursuant to DIA agreements or incentives (Compliance Manager per RDA’s)
- Number of historic buildings restored to retail use and square footage thereof (using COA data from HPS)
- Number of new or renovated retail developments incorporating resilient features (using building permit checklist)

## DIA Tasks

- Compare to Current Market Feasibility Study; adjust per square foot incentives as construction costs and market require
- Review Current BID “Years Tables” and Revise per Priority and Funding
- Track retail rents
- Track benchmarks for Internal DIA Target Reporting
- Track Retail Space Vacancy Rate
- Asking rents for newly leased space



# No. 4 Increase the vibrancy of Downtown for residents and visitors through arts, culture, history, sports, theater, events, parks, and attractions.

## Strategic Objectives

- Create and promote a consistent brand for Downtown that conveys a sense of excitement and within the boundary of Downtown foster distinct neighborhood identities that evoke a unique sense of place. (T/E to the extent Developer incorporates adopted neighborhood brand in building features or streetscape)
- Support the installation of public art and aesthetic and sensory enhancements, as well as wayfinding and technology throughout Downtown. (T/E)
- Increase awareness of Downtown’s history and its historic structures. Provide resources that engage and educate the public on the historical and cultural stories of Jacksonville and its people. (T/E)
- Market and promote Downtown programming and visitor attractions.
- Support the expansion, renovation, and improvement of existing, and creation of new, diverse civic attractions, cultural venues, theaters, and parks that provide a mix of activities and attract a broad range of demographics. (T/E)
- Provide regular, routine, and accessible events and programming for Downtown workers, residents, and visitors. Create opportunities for licensed vendors that maximize use of parks and public spaces, including the Riverwalk. Support water recreation opportunities and vendors. Identify opportunities and supporting events that fill calendar gaps (including evenings and weekends) for a robust, year-round events calendar.

- Work internally across city departments, as well as externally with developers and business owners, to support the inclusion of art, culture, and place-making within existing and future public improvements and private projects.
- Partner with arts and culture organizations as well as educational institutions to create culturally specific attractions, competitions and workforce development programs that bring students, young professionals, etc. Downtown. (T/E to the extent Developer partners with such organization to create programming)
- Increase number of daily visits to Downtown.
- Increase the occupancy rate and ADR of Downtown hotels and broaden the diversity of hospitality offerings for leisure travelers, groups, and business travelers. (T/E for boutique hotels that add to diversity of offerings)

## Benchmarks

- Number of DIA executed campaigns and advertisements promoting Downtown (DIA track internal campaigns;)
- Number of downtown visitors (using DVI annual report data and monthly Pacer.ai data)
- Number of new public art installations (art, light, sound, etc.) (internal quarterly data collection)
- Number of permitted expansions, renovations and improvements to existing attractions, cultural venues, theaters, and parks (internal monitoring from building permits; collect quarterly data)

- Number of new attractions, cultural venues, theaters, and parks (using DVI annual report data)
- Occupancy rates and ADR of Downtown hotels (using monthly TDC/ Visit Jacksonville data)
- Number of Downtown programs in City parks (Parks Dept.)
- Number of Downtown Special Events permitted (Parks dept)

## DIA Tasks

- Create and maintain an annual calendar of Downtown events

- Coordinate with Downtown Vision, Inc., and utilize agency contract(s) to market Downtown
- Coordinate with COJ Parks Department to implement regular parks programming
- Fund and manage Downtown installations
- Fund a variety of Downtown events
- Annually assess effectiveness of marketing efforts implemented each year
- Annually review current BID “Years Tables” and revise per priority and funding
- Track Benchmarks for DIA internal target reporting
- Monitor the type and number of hotel rooms in both existing and new developments



# No. 5 Improve the safety, accessibility, and wellness of Downtown Jacksonville and cleanliness and maintenance of public spaces for residents, workers, and visitors.

## Strategic Objectives

- Support a clean and safe Downtown 24-7, including the work of Downtown Vision Inc.
- Enhance the presence of Downtown security through private security services and coordination with JSO for increased public safety officers within Downtown.
- Expand the installation of public infrastructure that enhances safety such as countdown timer pedestrian signals, enhanced lighting, security cameras, etc. (T/E if Developer installed or funded)
- Support and enforce proper cleaning, maintenance, and repair of public spaces. (T/E to the extent Developer assumes responsibility for maintenance of public spaces)
- Enforce proper maintenance of private property.
- Promote safe and equitable access to all Downtown facilities by improving access to buildings and other properties, amenities, transit, events, and attractions; by eliminating obstacles; and by designing for all ages and abilities. (T/E to the extent streetscape or building entry modifications that enhance accessibility beyond code requirements are made by Developer)
- Promote wellness by facilitating healthy choices for food, outdoor venues for dining and gathering, and encouraging WELL certified buildings. (T/E)

## Benchmarks

- Number of violent crimes reported by JSO within Downtown (using JSO Crime Mapping)
- Number of property crimes reported by JSO within Downtown (using JSO Crime Mapping)
- Number of JSO officers assigned to Downtown
- Number of pedestrian injuries reported by JSO and Risk management (vehicle crashes; sidewalk and outdoor public space trip and fall)
- Number of citations issued by Code Compliance for private property maintenance violations

- Number of WELL certified renovation or construction projects completed (Redevelopment coordinator to track from Green building council and other source data)

## DIA Tasks

- Track Public Safety Reporting
- Public Works and JEA Lighting Maintenance Schedules, Continuum of Care/Emergency Services & Homeless Coalition Reporting
- Review Current BID “Years Tables” and Revise per Priority and Funding
- Track Benchmarks for DIA Internal Target Reporting



# No. 6 Improve the walkability/bike-ability of Downtown and pedestrian and bicycle connectivity between Downtown and adjacent neighborhoods and the St. Johns River.

## Strategic Objectives

- Improve public access to and from the St. Johns River for pedestrians and bicyclists when considering adjacent private development as well as when designing public improvements. Provide access to and from the Southbank and Northbank Riverwalk at regular intervals across adjacent riverfront parcels. Restore and reopen closed rights of way to the river wherever possible. (T/E)
- Develop interconnected, attractive, and safe pedestrian and bikeable links between the Northbank and Southbank, among neighborhoods, activities, cultural and recreation assets, greenways, and open spaces, most specifically the Emerald Trail. Encourage development of the Hogan’s Creek and McCoy’s Creek Greenways and similar projects that provide multimodal recreational trails. (T/E)
- Restore two-way streets where possible. (T/E)
- Optimize the design of downtown streets for pedestrians; require sidewalks of sufficient width to ensure an adequate pedestrian clear zone; reduce travel lane widths to reduce vehicle speed. Increase shade on sidewalks and in public spaces in accordance with design standards and plant shade trees wherever feasible. (T/E to the extent Developer provides private property for widened sidewalk, provides shade trees in excess of those required by code)
- Support the creation of wide, visible dedicated bike lanes or cycle tracks on designated streets; Install and maintain

interesting and safe bicycle racks in appropriate locations throughout Downtown. (T/E)

- Enforce the requirement to bring buildings forward to the existing or new sidewalk edge to create a sense of enclosure for adjacent sidewalks and streets.
- Create a compact and walkable Downtown through requiring a mixture of uses in each district so that housing, activities, retail, and other businesses are within useful walking distance, requiring buildings to have active facades at street level through a mixture of restaurants (including cafes with outdoor seating), retail, and services, and by requiring direct doorways and access to the street. Minimize blank walls and surface parking. (T/E)
- Connect neighborhood nodes with public transit.
- Encourage multimodal mobility, including pedicabs, scooters, and the like, for special events.
- Provide directional and roadway signage and signals for pedestrians, bicyclists, and other modal users to ensure their safety and ease of travel within Downtown.

## Benchmarks

- Number of closed rights of way reopened within Downtown
- Number of new public access points to river/Riverwalk dedicated or constructed

- Number of trail connections to nearby neighborhoods completed and neighborhoods connected
- Miles of Emerald trail completed
- Number of blocks restored to two-way traffic
- Walk Score greater than 90 in all Districts other than Sports and Entertainment and Working Waterfront. Walk Score greater than 80 in all other parts of Downtown.
- Number of shade trees planted on Downtown sidewalks
- Miles of road diets implemented
- Miles of bike Paths/Lanes/cycle tracks within Downtown
- Number of artistic and standard bike racks installed within Downtown
- Number of deviations from Build-to line granted by DDRB

- Number of new mixed-use developments approved
- New transit stops constructed or transit services implemented (per JTA annual)
- New signage and/or signals for pedestrians/bicyclists installed (per Public Works and Bike/ped coordinator)
- Number of pedestrian and bicyclist deaths and injuries. (as reported by JSO and Bicycle and Pedestrian Coordinator)

## DIA Tasks

- Review Current BID “Years Tables” and Revise per Priority and Funding
- Establish and track Benchmarks for DIA internal target reporting
- Perform Walkability Audits
- Monitor skyway ridership
- Track walkability scores for Downtown Nodes (<http://www.walkscore.com/methodology.html>)



# No. 7 Capitalize on the aesthetic beauty of the St. John’s River, value its health and respect its natural force, and maximize interactive and recreational opportunities for residents and visitors to create waterfront experiences unique to Downtown Jacksonville.

## Strategic Objectives

- Develop a series of dynamic riverfront parks on both sides of the river, connected by the Riverwalks, that together provide a premier destination park experience. Integrate themes of authentic Jacksonville content, robust programming, and varied facilities that are flexible and respond to public desires for waterfront activities. (T/E if Developer provides park land, programming, installations, etc.)
- Ensure that the riverfront includes a variety of immersive environments, ranging from passive enjoyment of the River to active entertainment areas by balancing public and private ownership and use, and requiring activation of private riverfront developments with restaurants, shops, and attractions, all linked by the Riverwalk
- Promote the creation of a greenway/ Riverwalk network linking the terminal ends of both the Northbank and Southside CRA Districts’ riverfronts. Prioritize beautification and greening of the Riverwalk using Florida-Friendly landscaping practices and plant material that is indigenous to the region as well as ensuring proper maintenance and replacement of such plant materials. Implement recommendations to tie together various segments with cohesive paver banding, signage, furnishings, etc. (T/E to the extent Developer adjacent to Riverwalk upgrades Riverwalk with street furniture, paving bands, lighting, signage and plant materials consistent with adopted Plan)
- Ensure the riverfront is accessible both physically and visually for residents and visitors of all ages, abilities, and income. (T/E for accessibility improvements beyond those required by code)
- Ensure that private developments fronting the river and creeks comply with design standards that protect public access and enjoyment of the waterfront. Enforce the 50-foot (minimum) building setback, and height step-backs from the St. Johns River’s water edge. Protect, enhance, and increase view corridors to the St. John’s River and provide access to and from the Southside and Northbank Riverwalk at regular intervals. (T/E for additional view and access corridors beyond those required by code, or greater building setbacks than required)
- Negotiate to obtain long- term or perpetual public easements from private property owners along the St. Johns River, Hogan’s, and McCoy’s Creeks and require such easements be provided at no charge to qualify for any incentive. (T/E)
- Maintain guidelines and zoning criteria for the design and orientation of buildings and improvements that take into account surrounding buildings, structures, viewscales, public access, and waterways; design and

orientation shall actively engage with the River, the Riverwalk, and riverfront. (T/E for active engagement through design and use)

- Encourage active public use of the River. Create, maintain, and enhance public river access for motorized and non-motorized watercraft points. Maximize access and linkages to Downtown establishments and activities for boaters through floating docks, marinas, amenities that improve the safety of boaters and the boating experience. (T/E for publicly accessible docks, kayak launches, etc. provided by Developer)
- Improve maintenance of all waterway access points, improve, or provide lighting and signage of access points from roadways and waterways. (T/E)
- Promote downtown as a boating destination through active marketing initiatives and inclusion of Downtown ramps, docks, marinas and launch sites, and marine services, on charts and maps
- Achieve at least one new restaurant/ entertainment sites directly accessible by boat by 2025, and a minimum of three (3) by 2030. (T/E)

## Benchmarks

- Number of Public Riverwalk Access Points (connections to first street parallel to the river)
- Miles of Riverwalk completed
- Acreage of signature riverfront parks constructed or renovated
- Number of programs held annually in Riverfront parks/Riverwalk- special events and regular programming
- Total Number/Acreage of Riverfront Public Space/Parks

- Number of activated retail/restaurant/ entertainment venues along the riverfront and directly accessible from the Riverwalk
- Frequency and level of maintenance of Riverwalk and riverfront parks
- Number of deviations from 50’ setback, height step backs and view and access corridor requirements granted
- Number of new or extended/expanded Riverwalk easements provided to the City
- Number/Length of public recreational boater docks and access thereto
- Number of Downtown kayak/paddleboard launch sites
- Number of new restaurant/entertainment sites directly accessible by boat

## DIA Tasks

- Monitor reports of required repairs/attention required to Riverwalk, riverfront parks, lighting, trash removal, and landscape
- Monitor and oppose amendments to Zoning Overlay that would diminish public access and protection of viewscales from adjacent properties
- Fund enhanced maintenance or Riverwalk and riverfront parks above Parks standard
- Monitor and support promotion of Downtown as a boating destination
- Track for DIA internal target reporting
- Monitor number and type of waterfront boater amenities provided
- Monitor number of Downtown waterway improvements implemented
- Track for DIA internal target reporting



# No. 8 Simplify and increase the efficiency of the approval process for Downtown development and improve departmental and agency coordination.

## Strategic Objectives

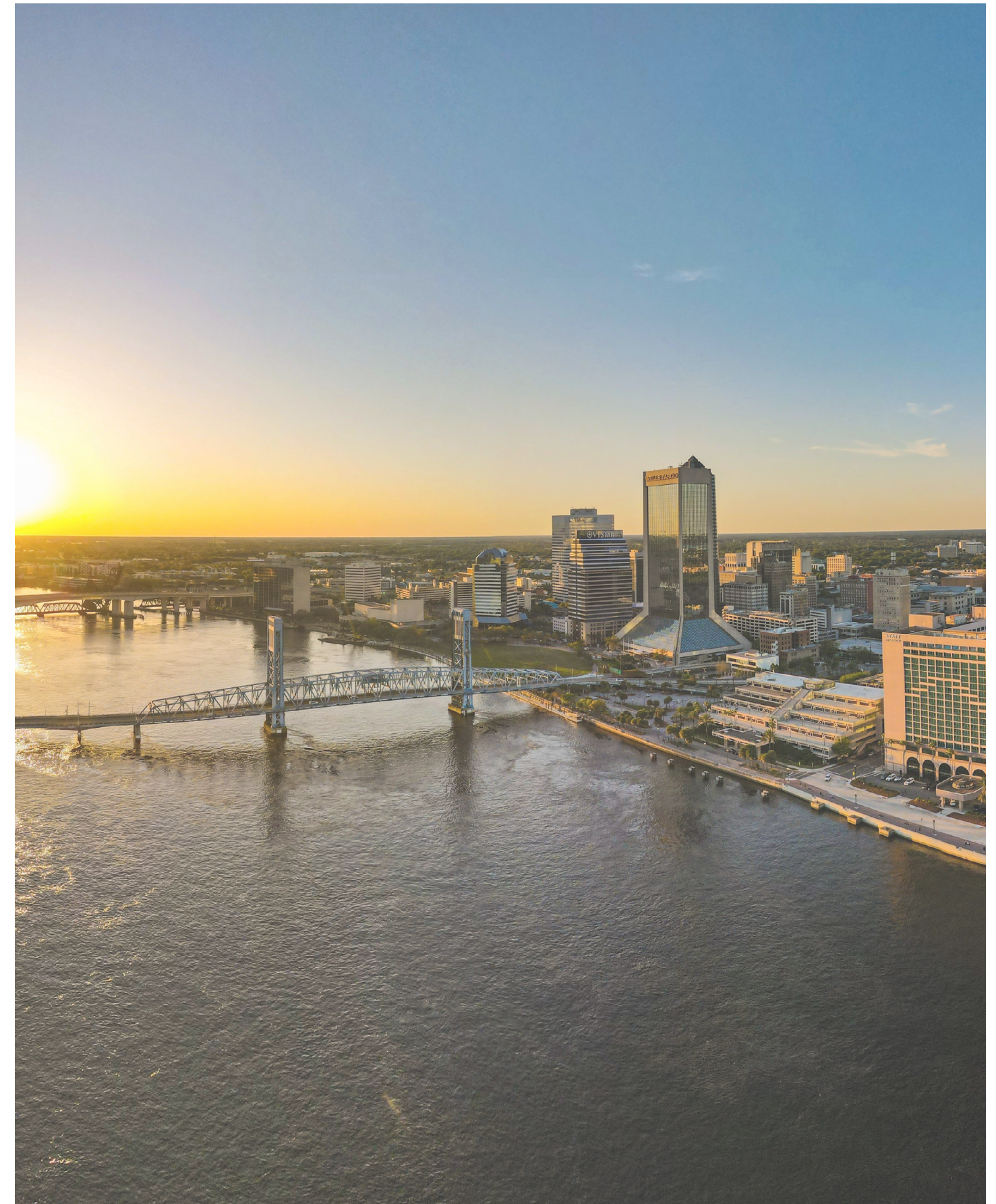
- Reconcile city plan policies and regulations to ensure policy consistency and uniform application.
- Establish a clear, efficient, and maximally predictable process for reviewing development permits and incentive requests, including development and use of model applications, forms, and agreements where appropriate.
- Foster alliances and build relationships with City Council Members, legislators, other governmental officials and their staff through regular briefings, tours, and events.
- Streamline and improve the transparency of the disposition process for publicly owned land and building space.
- Initiate public/private partnerships where private participation can accelerate achievement of Years Table projects or provide more efficient or cost-effective project management.
- Identify motivated and cooperative property owners/developers and develop key pilot initiatives.
- Promote clean-up and redevelopment of brownfields through coordination with the state and the Department of Public Works.
- Continually look for ways to simplify application and permitting processes.
- Instill and maintain a culture of transparency, responsiveness, accountability, and diligence in the exercise of departmental duties and responsibilities.
- Ensure a DIA staff member is assigned responsibility to shepherd a project through its development/redevelopment lifecycle.

## Benchmarks

- Duration of DIA approval process from receipt of sufficient application for incentive requested and project profile form through DIA Board action
- Acreage/value of City-owned property held for redevelopment
- Number of redevelopment agreements executed per year
- Number of DDRB approvals granted per year
- Number of Years Table projects completed on or ahead of schedule
- Number of Brownfield sites restored
- Number and value of grants received for Downtown projects

## DIA Tasks

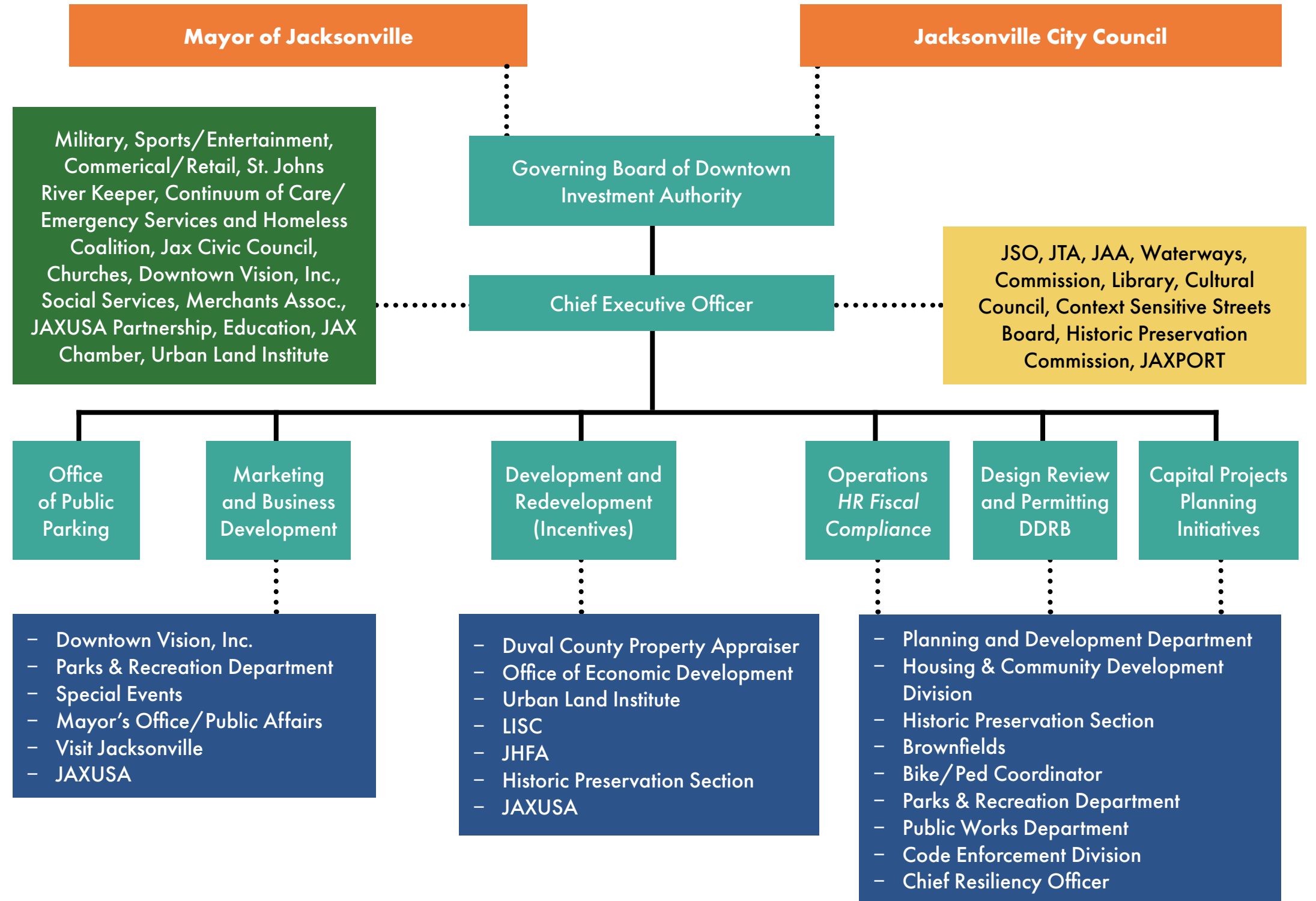
- Regularly Coordinate with City Departments, Supporting Authorities, and Business Leaders (see DIA Organizational Chart, Section 4.1)
- Track Project Utilization of State and Federal Grant Applications, Including Tax Credits
- Monitor number of process improvements implemented per year
- Monitor number of dispositions processed
- Review Current BID “Years Tables” and Revise per Priority and Funding
- Track for DIA Internal Target Reporting



# DIA MANAGEMENT & STRUCTURE

The following organization structure is a graphic illustration of the existing relationship with DIA and other organizations:

- Solid lines define a direct reporting relationship
- Dashed lines define a direct advisory relationship



# Property Disposition Policy

The DIA's Unsolicited Proposal Policy and Property Disposition Policy (collectively "Property Disposition Policy") were adopted by Resolution 2019-09-01 and 2019-09-02, respectively.

To conform to changes in Chapter 122 of the Ordinance code made by Ordinance 2022-372, the Property Disposition Policy was amended by Resolution 2022-07-03.

In accordance with Chapter 122 and Ordinance 2022-372, the maximum period over which Return on Investment (ROI) will be calculated for property dispositions that include other incentives, will be twenty (20) years or the life of the incentive, whichever is greater. The ROI for a stand-alone property disposition will be calculated over a period of twenty (20) years. In the event the Council Auditor's Office disagrees with the DIA's ROI calculation and arrives at an ROI of less than 1:1, City Council approval of the disposition will be required notwithstanding any other provision of the Property Disposition Policy.

All Resolutions regarding property dispositions to be considered by the DIA Board shall be accompanied by a staff report and no final action may be taken on a Resolution to dispose of a property interest unless a staff report making a recommendation of approval or disapproval has been delivered to the Board on such matter. The Board may approve a resolution contrary to staff recommendation, but in the event the Board recommends approval of a property disposition contrary to a staff recommendation of disapproval, City Council approval of such disposition shall be required.

The Policy is incorporated and adopted by this Updated BID Strategy and is attached hereto as **Appendix D**. This Policy may be modified from time to time at the discretion of the Governing Board.



# DOWNTOWN SNAPSHOT PROFILE

The Downtown Snapshot Profile concisely identifies and highlights the fundamental character profile of the Downtown Northbank and Southside CRAs.

- The Downtown Feasibility Study Summary consists of a market analysis of the Northbank and Southside CRA Districts, focusing on residential, commercial/retail/office, hospitality, and entertainment markets and how they interconnect with the St. Johns River, open space, multi-mobility transportation. The Downtown Feasibility Study in its entirety is located in Appendix B of this BID Strategy.
- A SWOT Analysis, consisting of Strengths, Weaknesses, Opportunities, and Threats, is outlined for a quick insight into Downtown Jacksonville.
- A Demographic Profile is provided using the 2019 U.S. Census American Community Survey which includes all five (5) of the Census Tracts that make up the Downtown Northbank and Southside CRAs. It is important to note that while Census Tracts 8, 10, 171, 172, and 174 contribute to the Downtown Northbank and Southside CRAs, they are not entirely encapsulated within the two District boundaries. Therefore, some of the data may reside outside of the CRA boundary lines and does not contribute entirely to the Demographic Profile.
- The Downtown Overlay Zone was created to give special consideration to certain uses and design elements due to the unique characteristics of Downtown Jacksonville. This was necessary because certain types of development may not be permitted in or meet all of the requirements of a conventional zoning district.
- The Downtown Development of Regional Impact (DRI) was originally adopted in 1986, correlating with the three original Downtown Community Redevelopment Areas (Downtown East, Northside West, and Southside) being one in the same with the CRA boundaries. On June 9, 1992 (Ordinance 92-392-489), the City combined the three Downtown DRI Development Orders into one Consolidated Downtown DRI Development Order. In 2021, the City abandoned the Consolidated Downtown DRI and rescinding its Development Order via Ordinance 2020-0694-E. The DRI entitlements and their “vesting” are incorporated into the City’s 2030 Comprehensive Plan. Transportation impacts are now through the City’s Mobility Plan and subject to the Mobility Fee Credit Contract between the DIA and the City.
- Downtown Neighborhood Identities provide a glimpse into the neighborhoods that make up the Northbank and Southside CRAs.



# Downtown Feasibility Study Summary

The market and feasibility study provides an expanded and updated baseline of demographic and real estate trends and projections to inform an assessment of development constraints and opportunities in each Downtown neighborhood District.

The market analysis identifies opportunities to catalyze development activity with targeted incentives in each Downtown neighborhood District as a key focus of the study. To fully profile current market conditions and impediments to development, the market assessment includes direct input from the local and regional real estate development and brokerage community.

The market study builds on the prior Business Investment and Development Strategy research released in 2014 (updated in 2019) with an expanded emphasis on data collection and analysis at the District level.

Finally, recognizing the impact of Covid-19 on the real estate redevelopment market, note that pre-Covid-19 data is analyzed to establish a baseline. The baseline is compared to real time data capturing shifts in trade area composition, daytime employment, frequency and length of visits/trips, and other demand-related impacts of the Covid-19 pandemic.

The demographic and real estate market assessments are informed by the most current data available from the US Census American Community Survey, CoStar, ESRI, Placer.ai, and STR through January 2021 to capture the most current market conditions in Downtown Jacksonville by District and sector, along with estimated recovery time frames. Accordingly, the

projections of demand within each District are provided in a range of hypothetical scenarios for planning purposes only (best case, worst case and most likely).

The outcome of the Downtown Jacksonville Market and Feasibility Study is centered on identifying the needs, impediments, and opportunities for development by sector within each neighborhood Districts of Downtown Jacksonville utilizing an objective, data driven approach.

The Market and Feasibility Study concludes that the DIA is making progress towards goals according to established performance measures, especially with respect to growth in Downtown population, multifamily residential development, and outdoor dining establishments.

The DIA should continue to make incentives flexible and nimble to meet the needs of catalytic projects with complex deal structuring. The DIA should also explore the opportunity to use targeted developer incentives to cross-subsidize mixed-use projects to achieve an optimal mix of uses with the Downtown’s remaining available land—increasingly scarce and valuable.

Concurrently, an evolving set of incentives guidelines will come into play as the market matures, new concepts emerge, projects materialize, and land values rise. The DIA’s role as Downtown development facilitator will likewise evolve to require greater emphasis on curation of specific target uses at the district/neighborhood level on a project-by-project basis.

Over time, the DIA will foster the creation of more Downtown destinations, experiential retail, and specialty/neighborhood-serving “gems” through

the continuing exceptional administration of the start-up subsidies and tax incentives needed to fund investment gaps.

## In Conclusion

As Downtown Jacksonville emerges from the Covid- 19 pandemic, there is an opportunity for innovation and expanded public private partnerships. Building partnerships with the stakeholders and groups that impact growth, including investor/developers, businesses of all sizes, historic preservationists, organizations advancing technology, and natural resource advocates will continue to serve the area in forward thinking ways.

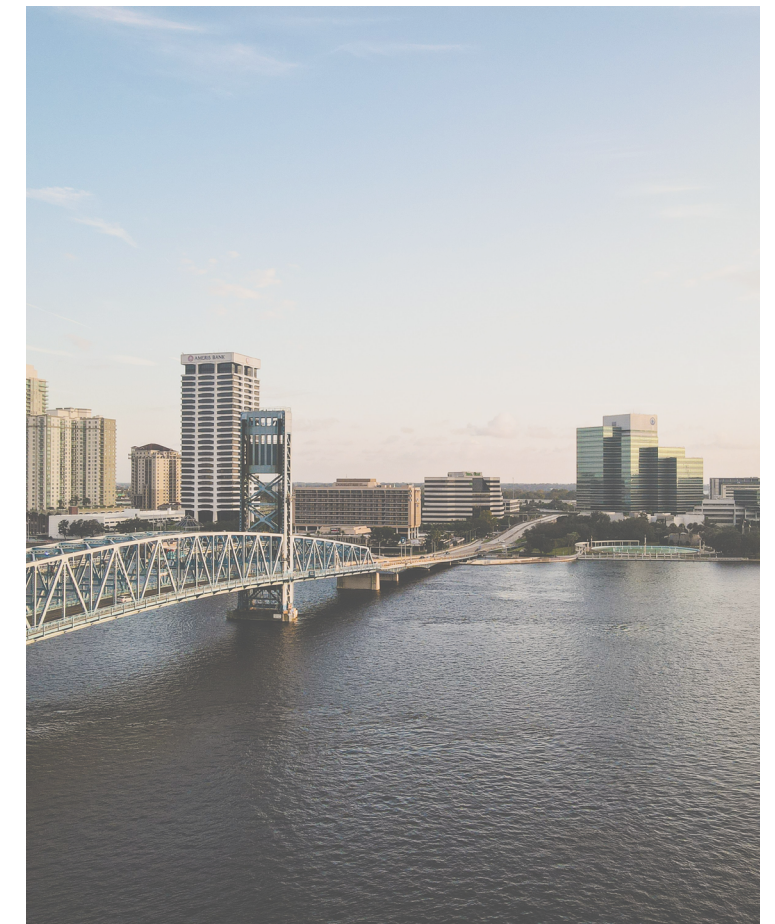
After decades of planning, Jacksonville has achieved the momentum necessary to advance increased access for the public to the St. Johns River to ensure it is physically and visually accessible. Investment and redevelopment initiatives leveraging this natural asset are cornerstones of opportunity and catalytic revitalization for the Downtown Jacksonville districts.

However, the underlying economic drivers related to the built environment that impact the feasibility of implementing plans and projects in Downtown Jacksonville are complex. According to real estate market data collection interviews, recent headlines announcing pending approvals and incentives for multiple mixed-use projects are a positive signal to developers looking to invest in Downtown Jacksonville.

Care must be taken to manage the message going forward to stress the assets, capital, and political consensus that Downtown Jacksonville has to offer to the development community.

Current incentives for smaller projects, using Tax Increment District funds, are adequate and used frequently, a positive sign for those programs. The subjectivity of larger projects, often requiring approval by Jacksonville City Council and funding through the City’s General Fund, require additional approvals and associated scrutiny by elected officials, and the public in general.

Underwriting standards must be well-defined, with the final decision the result of careful vetting and strict adherence to established guidelines to demonstrate the project supports CRA goals and performance measures.



## Downtown Redevelopment Best Practices

**Strong private and public-sector leadership supported by local/regional champions of Downtown redevelopment are hallmarks of successful place-based investment and marketing.**

- Proactive and strategic approach to redevelopment driven by product type and location.
- Strategic public-private partnerships that maximize each other’s capital and institutional capabilities.
- Clarity of opportunities, expectations, and the timing of the development process for the development community.
- Developer incentives programs that prioritize catalytic/catalytic anchor sites and neighborhood benefit goals and objectives.
- Targeted and strategic marketing/outreach initiatives.

It is recommended that DIA continue to focus on tracking outcomes, benefits, and changes in Downtown in relation to the BID Strategy. Continuing to track such indicators will achieve a sustained source of consistent data to allow for a deeper understanding of the relationship between incentives policies and development and investment activity in Downtown Jacksonville.

The DIA should continue to make incentives flexible and nimble to meet the needs of catalytic projects with complex deal structuring. The DIA should also explore the opportunity to use targeted developer incentives to cross-subsidize mixed-use projects to achieve the optimal mix of uses with the Downtown’s remaining available land – increasingly scarce and valuable. However, an evolving set of incentives guidelines will come into play as the market matures, new concepts emerge, projects materialize, and land values rise. The DIA’s role as Downtown development facilitator will likewise evolve, requiring greater emphasis on curation of specific target uses at the neighborhood level on a project-by-project basis. Over time, the DIA will foster the creation of more Downtown destinations, experiential retail, and specialty/neighborhood-serving “gems” by continuing exceptional administration of start-up subsidies and tax incentives needed to fund investment gaps.

It is important, however, to evaluate Jacksonville’s future opportunities beyond quantitative comparisons or metrics and tactical-level incentive programs. To foster mixed-use development and historic adaptive reuse, public stakeholders should integrate other factors and strategic approaches to foster catalytic private real estate development activity. Downtown authorities are leveraging public investment in incentives to achieve multi-layered social, environmental, and public realm objectives by linking public dollars to neighborhood-level amenity targets such as affordable/workforce housing, walkability, wellness and maximizing the clustering of restaurants in proximity to unique redevelopment projects like boutique hotels.



# Jacksonville Workforce SWOT Analysis

## Strengths

- Strong economic base—more jobs with residents to fill them.
- Healthcare and financial hub.
- Trained/skilled former military workforce.

## Weaknesses

- IT Talent.

## Opportunities

- Current industry composition provides opportunity for spinoff activity (e.g., cyber).
- Programs to help military transition to the private sector.

## Threats

- Risk of losing commuters.
- Service-based economy.



# Demographic Profile

## Population

Census Tract <sup>(1)</sup>	Total Population	Male	Female	Median Age	Age 18 & Under	Age 65 & Over
8	2,786	1,251	1,535	39.6	336	490
10	4,207 <sup>(2)</sup>	2,904	1,303	52.1	66	738
171	2,295	741	1,554	39.5	175	730
172	2,165	1,100	1,065	37.8	330	428
174	204	68	136	16.9	103	–

Source: Profile of General Population and Housing Characteristics, U.S. Census Bureau's 2019 Demographic Profile; Downtown Jacksonville Market & Feasibility Study, Willdan 2021. Notes: (1) Census Tracts include only Block Groups located in the CRA. (2) Total Population for CT 10 includes the Duval County Jail Population.

## Population by Race and Ethnicity

Census Tract <sup>(1)</sup>	Total Population	White	Black	American Indian	Asian	Pacific Islander	Hispanic	Two or More Races
8	2,786	2,412	187	–	78	–	238	–
10	4,207 <sup>(2)</sup>	1,359	2,642	18	59	–	204	55
171	2,295	1,942	306	–	38	–	160	–
172	2,165	849	1,063	–	148	–	55	105
174	204	5	183	–	–	–	16	–

Source: Profile of General Population and Housing Characteristics, U.S. Census Bureau's 2019 Demographic Profile; Downtown Jacksonville Market & Feasibility Study, Willdan 2021. Notes: (1) Census Tracts include only Block Groups located in the CRA. (2) Total Population for CT 10 includes the Duval County Jail Population.

## Household Composition

Census Tract <sup>(1)</sup>	Total Households	Family Households	Percentage of Total Households	Average Household Size	Average Family Size
8	1,699	603	35.5%	1.56	2.39
10	753	191	25.4%	1.84	3.00
171	1,554	283	18.2%	1.42	2.55
172	1,190	287	24.1%	1.51	2.67
174	1,115	510	45.7%	1.82	3.65

Source: Profile of General Population and Housing Characteristics, U.S. Census Bureau's 2019 Demographic Profile; Downtown Jacksonville Market & Feasibility Study, Willdan 2021. Note: (1) Census Tracts include only Block Groups located in the CRA.

**Household Income**

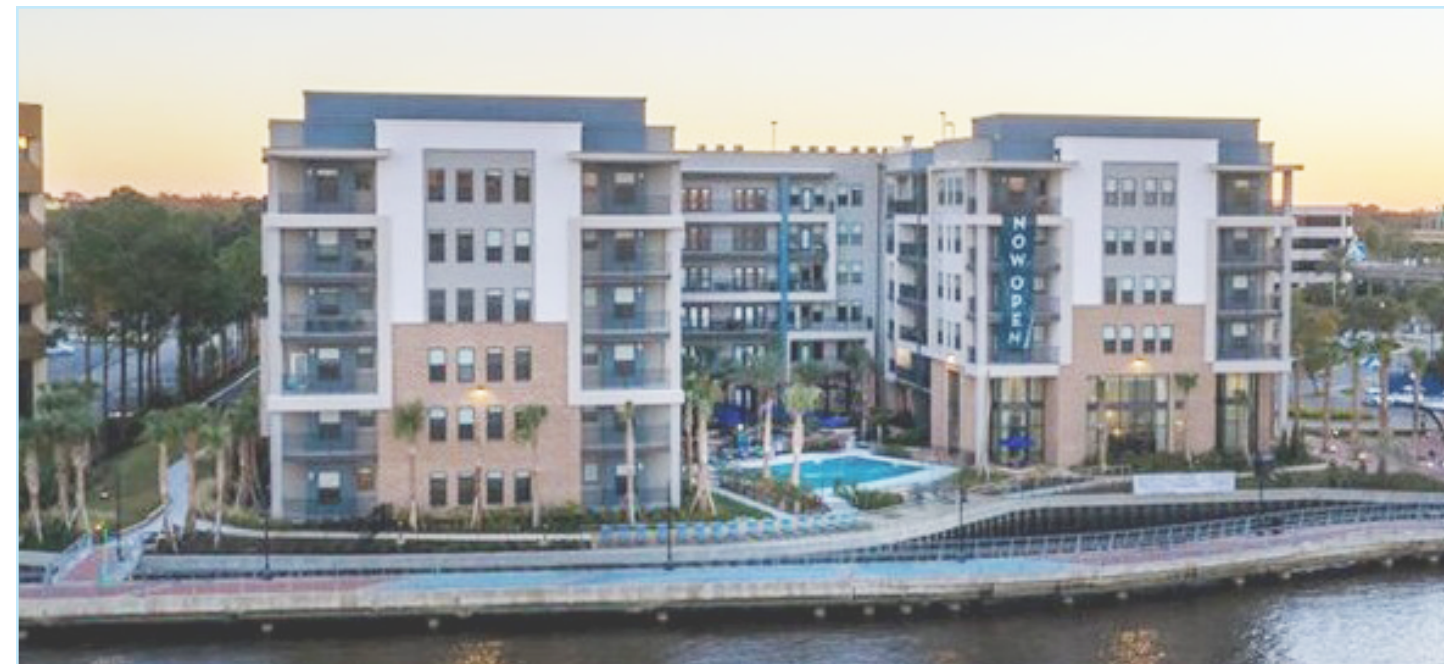
Census Tract <sup>(1)</sup>	Median HH Income	Median Income White HH	Median Income Black HH	Median Income Senior HH	Married Couple Families
8	\$62,298	\$63,504	\$44,353	\$39,130	\$79,071
10	\$13,739	\$11,543	\$15,345	\$13,818	\$40,547
171	\$54,340	\$54,671	-	\$26,111	\$89,980
172	\$42,702	\$53,897	\$23,182	-	\$46,406
174	\$27,521	-	\$28,284	\$22,917	\$28,036

Source: Profile of General Population and Housing Characteristics, U.S. Census Bureau's 2019 Demographic Profile; Downtown Jacksonville Market & Feasibility Study, Willden 2021. Note: (1) Census Tracts include only Block Groups located in the CRA.

**Housing Tenure**

Census Tract <sup>(1)</sup>	Total Units	Total Occupied	% of Total Units	Owner Occupied	Renter Occupied	Total Vacant Units	% of Total Units
8	2,062	1,699	82.4%	382	1,317	363	17.6%
10	875	753	86.1%	79	674	122	13.9%
171	1,653	1,554	94.0%	166	1,388	99	6.0%
172	1,427	1,190	83.4%	155	1,035	237	16.6%
174	120	56	46.7%	-	56	64	53.3%

Source: Profile of General Population and Housing Characteristics, U.S. Census Bureau's 2019 Demographic Profile; Downtown Jacksonville Market & Feasibility Study, Willden 2021. Note: (1) Census Tracts include only Block Groups located in the CRA.

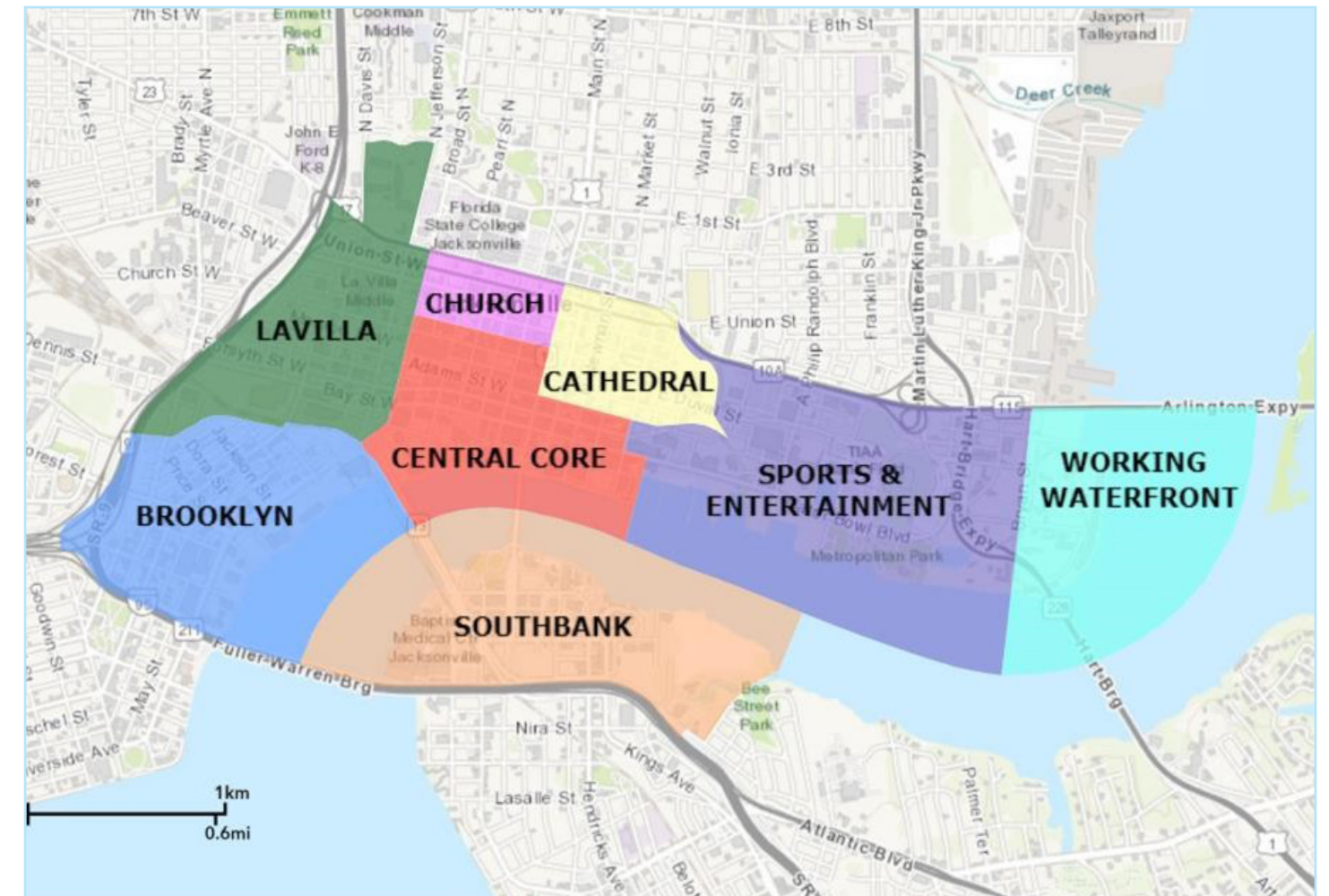


# Downtown Overlay Zone

In order to promote mixed-use development in Downtown Jacksonville, the Downtown Overlay Zone was created. In 2019, all of Downtown, with few notable exclusions, were rezoned to a single, Commercial Central Business District (CCBD) Zoning District. The Downtown Overlay Districts were also amended, eliminating the Riverpark and Institutional districts, while adjusting the boundaries of others to reflect historic and trending development patterns. The result of these changes were the incorporation of by-right (i.e.

permitted) uses within the underlying CCBD, and identifying "bonus" uses and uses permissible by exception within the Downtown Overlay Districts. Further, the consolidation of Downtown into the CCBD Downtown Overlay District created a unified application of restrictions reflective of both the historic and trending development patterns within each Downtown Overlay District.

**Downtown Overlay Districts Map**



# Consolidated Downtown Development of Regional Impact (DRI)

The Downtown DRI was originally adopted in 1986, correlating with the three Downtown community redevelopment areas (Downtown East, Northside West, and Southside). On June 9, 1992 (Ordinance 92-392-489) the City combined the three Downtown DRI Development Orders into one consolidated Downtown DRI Development Order. In 2021, the City abandoned

the Consolidated Downtown DRI and rescinding its Development Order via Ordinance 2020-0694-E. The DRI entitlements and their “vesting” are incorporated into the City’s 2030 Comprehensive Plan. Transportation impacts are now through the City’s Mobility Plan and subject to the Mobility Fee Credit Contract between the DIA and the City.

## Downtown Neighborhood Identities

The CRA Plan expands upon the location and description of the following neighborhoods:

### Brooklyn

Residents of Brooklyn appreciate a little history, some interesting new builds and a young, imaginative and entrepreneurial spirit, which gives Brooklyn, its new and long-standing residents, a place to live that’s walkable to downtown offices and entertainment, with a looser, hipper vibe than the commercial core can offer.

They enjoy the opportunities to work in the neighborhood for major corporations like Haskell, Florida Blue, FIS and other fintech, and a location between the Cummer and MOCA, and proximity to the 5-points galleries and the Riverside Arts Market. They enjoy an eclectic mix of ambition and art, creativity and cool.

Brooklyn residents enjoy easy access to a growing inventory of studio space for artists, which brings the creativity even closer to the heart of downtown neighborhoods. They are art lovers—including downsizers who like access to downtown and the river, and a neighborhood with Brooklyn’s character and alternative, inspiring energy. Brooklyn residents enjoy the McCoys Creek Greenway and Emerald Trail, the pathways and

the programming that entices different residents and neighbors—curious strollers, runners, moms, dads, people interested in birds and nature. They like to venture out and experience how different their neighborhood looks from the trails and the riverfront, with its trees and cool shade.

Brooklyn residents like to stroll along McCoys Creek down to the Northbank Riverwalk, east along the water, then up to their offices. They also follow the trail across the creek to LaVilla’s Lift Ev’ry Voice and Sing Park. Residents enjoy their morning run and walk and make their way down the Greenway and stay inspired until they reach the cafes, bakeries and healthy takeout places that have become part of the Riverwalk landscape by 2030. It is, they insist, a well-balanced lifestyle.

### Cathedral Hill (Cathedral Zoning Overlay District)

Residents of Cathedral Hill know that there is a “there-there.” They appreciate the calm grounded spirit, weekly services and spiritually inspired murals that are infused into the tight-knit neighborhood’s warm, historic, family-friendly atmosphere. Residents enjoy walking up to the neighborhood from the Riverwalk to see cathedral architecture reaching skyward, and the shade of

the big, leafy trees, the walkable streets, eclectic storefronts, and the casual company of community families and residents of many ages. The many seniors in the neighborhood, most of very modest means, appreciate a slower pace and a kindness of the area; a place that feels like it has a place for everyone. Residents enjoy the easy comfort here that invites locals and visitors alike to linger, enjoy the stillness of sacred spaces and take in the neighborhood’s surprising connection to nature: the new paths of nearby Hogans Creek that are welcoming and green, cooling and appealing; the Emerald Trail’s Hogan Street Connector that leads straight to the Northbank Riverwalk, and that puts Cathedral Hills on downtown’s doorstep—with easy access to festive nights in the Sports and Entertainment District, and to the daytime networks of downtown’s business district.

### City Center (Central Core Zoning Overlay District)

City Center residents enjoy living in the main business and cultural hub of Jacksonville, which has become a bustling daytime destination for white collar office workers, and a nighttime and weekend culinary and entertainment destination for locals and visitors alike. They like that City Center’s key corporate area is the magnet that brings businesspeople, downtown neighbors and tourists together at the waterfront. Residents enjoy the Northbank Riverwalk, the proud central promenade and ‘ramblas’ of downtown, that connects people to a re-imagined Landing, James Weldon Johnson Park, and the buzzy Elbow, with its strollable necklace of bars, breweries, restaurants, nightlife, live music and performances anchored by the famed Florida Theatre. They appreciate the ever-changing calendar of events that gives Northbank its festive feel year-round, and that has attracted new residents and development to the waterfront. They appreciate the ‘great historic Southern city’ sitting just behind the waterfront—with its well-preserved buildings, wide sidewalks and restored two-way streets—and its integral, if quieter part of the downtown scene.

City Center residents enjoy the vibrant arts scene—from the bold and vibrant murals on building facades to the interesting public art sculptures peppered throughout—residents love the neighborhood’s collections of creative expression. City Center’s several art galleries, the Museum of Contemporary Art, and the Times-Union Center for Performing Arts keep residents inspired year-round. Residents appreciate the proximity to two destination parks—Riverfront Plaza and the Performing Arts Center Music Heritage Garden—which create a sense of place and offer gathering spaces for a variety of events and programming. They love taking visitors to the Musical Heritage Garden for the nightly light and show, which wows all who view it.

### LaVilla

LaVilla residents enjoy its celebrated past, its cutting-edge future, and the fact that it is becoming a kind of cultural hub for new ways to live, learn and be entertained in Jacksonville. They enjoy a re-created diversely dynamic neighborhood that has become a draw for all of downtown and a must-stop for visitors to the city. They enjoy living in a hive of innovation and culture, a mix of the celebration and creativity of James Weldon and John Rosamond Johnson and of the spirit of enterprise, invention and ethnic diversity that was early LaVilla’s heritage.

They enjoy the park dedicated to the authors of Lift Ev’ry Voice and Sing that is a centerpiece and an anchor, but also only a start of the story, which encompasses music and art schools, affordable housing, shared workspaces and recording opportunities, and live entertainment venues both outdoors and in intimate clubs and restaurants in the neighborhood. Residents of LaVilla enjoy its own music festival, and the creative connections between LaVilla and the Elbow district. They like that LaVilla has grown to be part of an entertainment circuit again, attracting big names that love to come play small venues, or being the after-the-big-concert downtown place where bands and DJs go to relax and play. They like to

hear live jazz and follow a trail that traces the history of the neighborhood—the Ritz Theatre and museum, Stanton School and Genovars Hall.

Residents appreciate the mobility that is a key part of LaVilla—that it’s a gathering place and transportation hub, a mixing and meeting of people from around the city, the region and the country. They enjoy the Emerald Trail connection along Lee Street that joins LaVilla to McCoys Creek and the Northbank Riverwalk, as well as to the railyard District further west, with a pedestrian and biking thoroughway that makes getting from the water to the neighborhood as easy as it is scenic and enjoyable.

### NorthCore

North Core, once dominated by the presence of the First Baptist Church, has become a diverse mixed-use Downtown neighborhood. While the church still fills several blocks with its buildings, new residential development and adaptive re-use of historic buildings have led the way in redevelopment of the area. Educational and religious establishments bring life and vitality to urban neighborhoods, offering opportunities for retailers and improving public safety. NorthCore is not just the transition between the historic and culturally significant LaVilla neighborhood, the predominantly residential character of the Cathedral Hill, the FSCJ Downtown Campus, and the City Center but a vibrant neighborhood on its own.

### Southbank

Southbank residents care about health and well-being and enjoy public health and wellness programming—from guided meditation to daily river walks and exercise classes—that have given the neighborhood an active and healthy vibe that attracts seekers of outdoor living and wellness in Jacksonville. They enjoy the coolly shaded wellness gardens built around the healthcare campuses. They enjoy lifestyle communities like Rivers Edge, and new offices in Southbank which are built and certified to WELL standards.

Southbank residents care that the river is key to the neighborhood’s reputation for well-being, walking and biking, and a cleverly-shaded and expanded Southbank Riverwalk that has taken its place as the centerpiece of the community. They enjoy the Emerald Trail loop that covers the southern riverfront and embraces part of San Marco that has brought that affluent neighborhood closer to the waterfront. They appreciate the improved water taxis that whiz from north to south, and the five bridges on the St. Johns that make for seamless crossings. Also on their list are the new marinas, with their boat and kayak launches, that help make Southbank a destination for boaters around the region, and the restaurants and cafés that offer waterfront views of the marine activity for couples, families, runners, bikers and strollers. Finally, they enjoy the rejuvenation of St. Johns River Park that has created a gathering place at the heart of Southbank near the Main Street Bridge; where evenings bring people together for the park’s cooling fountain and the always-changing light show.

### Sports and Entertainment

The Sports and Entertainment District is anchored by TIAA Bank Field, where the NFL Jacksonville Jaguars play; 121 Financial Ballpark, home to the Jacksonville Jumbo Shrimp; the VyStar Jacksonville Veterans Memorial Arena, home to the Jacksonville Icemen and where music, comedy, sports and family entertainment events are held year-round; and Daily’s Place Amphitheater. The Jacksonville Fair and Expo Center will be relocated in the near future allowing for redevelopment of that site.

Metropolitan Park is the centerpiece of this district. At present, the Park represents the eastern extremity of Downtown Jacksonville, isolated from the Northbank Riverwalk and the civic core by other intervening development sites. Although it is has wonderful views of the St. Johns River, the Park’s sense of isolation is heightened by the sea of off-street parking for the stadium to the north. Improving connections between

Metropolitan Park, the Northbank Riverwalk, and City Center, will better integrate the Park into Downtown. The Park Marina provides direct access to the St. Johns River, allowing for the public to access the Park from privately owned water crafts and the River Taxi. The Northbank Riverwalk will link the Park to Hogan’s Creek, which in turn creates a connection to the Emerald Trail, or pedestrian and cyclist “green loop.”

The soon to be developed Four Seasons Hotel adjacent to Metropolitan Park on the riverfront will be a major asset to the District and strengthen the connection to City Center. MOSH is likewise moving forward with plans to construct a museum on the riverfront of the former Shipyards, the USS Orleck is scheduled to arrive this year and become a naval ship museum on the waterfront and and new destination park will extend from Catherine Street to Hogan’s Creek completing the activation of the corridor.

The District also includes a correctional facility, the JSO headquarters, and the Maxwell House coffee processing plant. It will be critical to be cognizant of the relationships between these use and properties and their surrounding neighborhoods.

### Working Waterfront

The Working Waterfront district is located at the eastern end of the Northbank. This district has, and continues to be, industrial in nature.



# WHAT IS THE BID STRATEGY AND HOW DOES IT WORK?

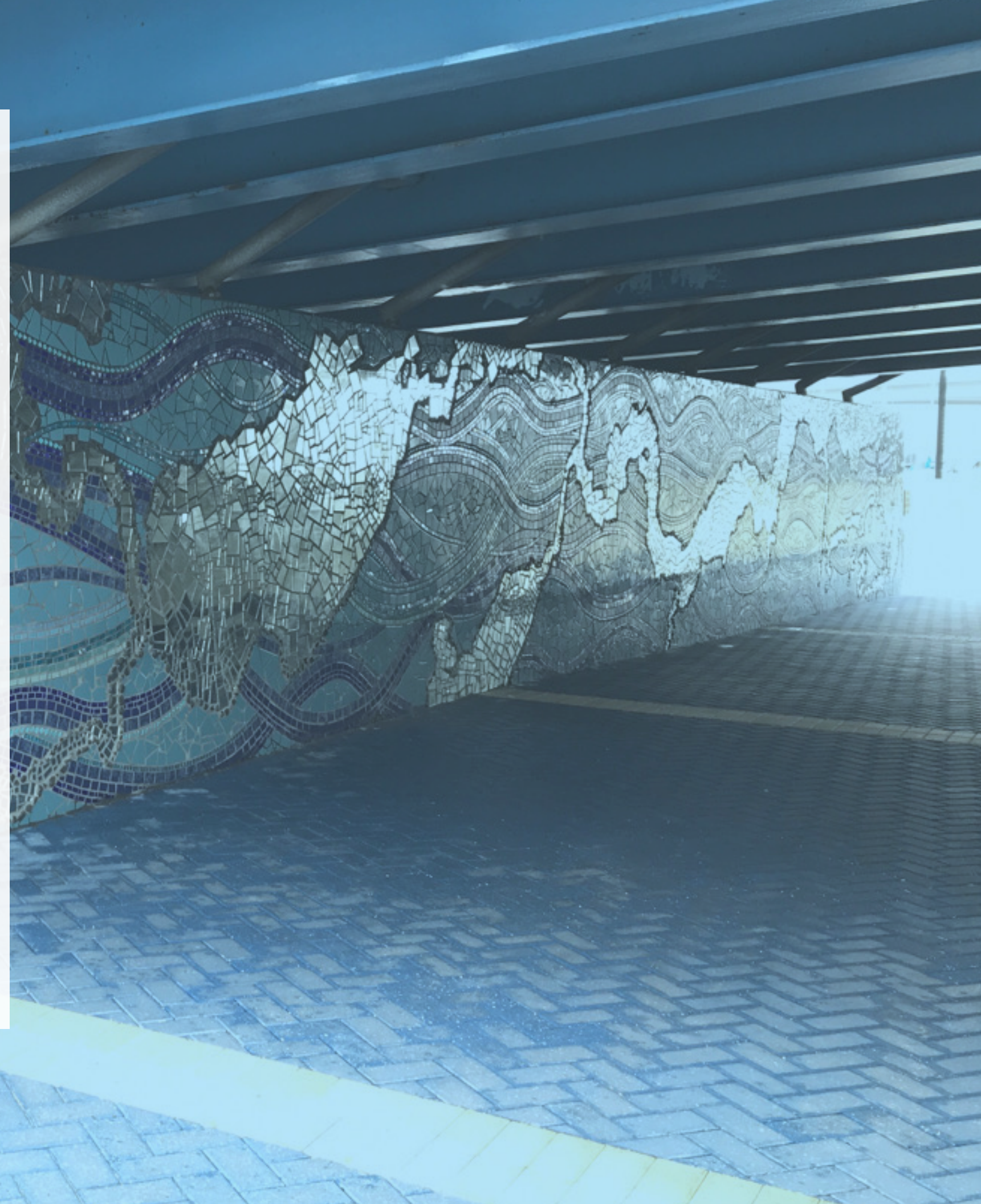
The Business Investment and Development (BID) Strategy is a tool that manages the application and implementation of projects, programs, and initiatives; identifies an array of local, state, and federal incentives and funding programs; and outlines decision-making criteria by which projects, programs, and initiatives are selected and measured. It is recommended that the DIA annually benchmark internal practices and BID programs. It is also recommended that the DIA have external audits performed, and that the DIA track the necessary reporting documents required for the Community Redevelopment Plan (the "Plan") and Tax Increment Finance (TIF) Districts.

The CRA Plans are the governing documents for the Downtown Northbank and Southside CRAs and their three (3) corresponding TIF Trust Funds, two on the north that were associated with the originally designated CRAs – now merged into one Northbank, and the other for the Southside. The respective boundaries of the Downtown Northbank and Southside CRAs, along with the three TIF Districts contained therein are illustrated on page 25.

The BID Strategy contains near-, mid-, and long-term recommendations for the life of the Plan, which has expiration dates that far exceed the life of the BID. Florida Statutes allow for CRAs established prior to July 1, 2002, to have a total life of 60 years.

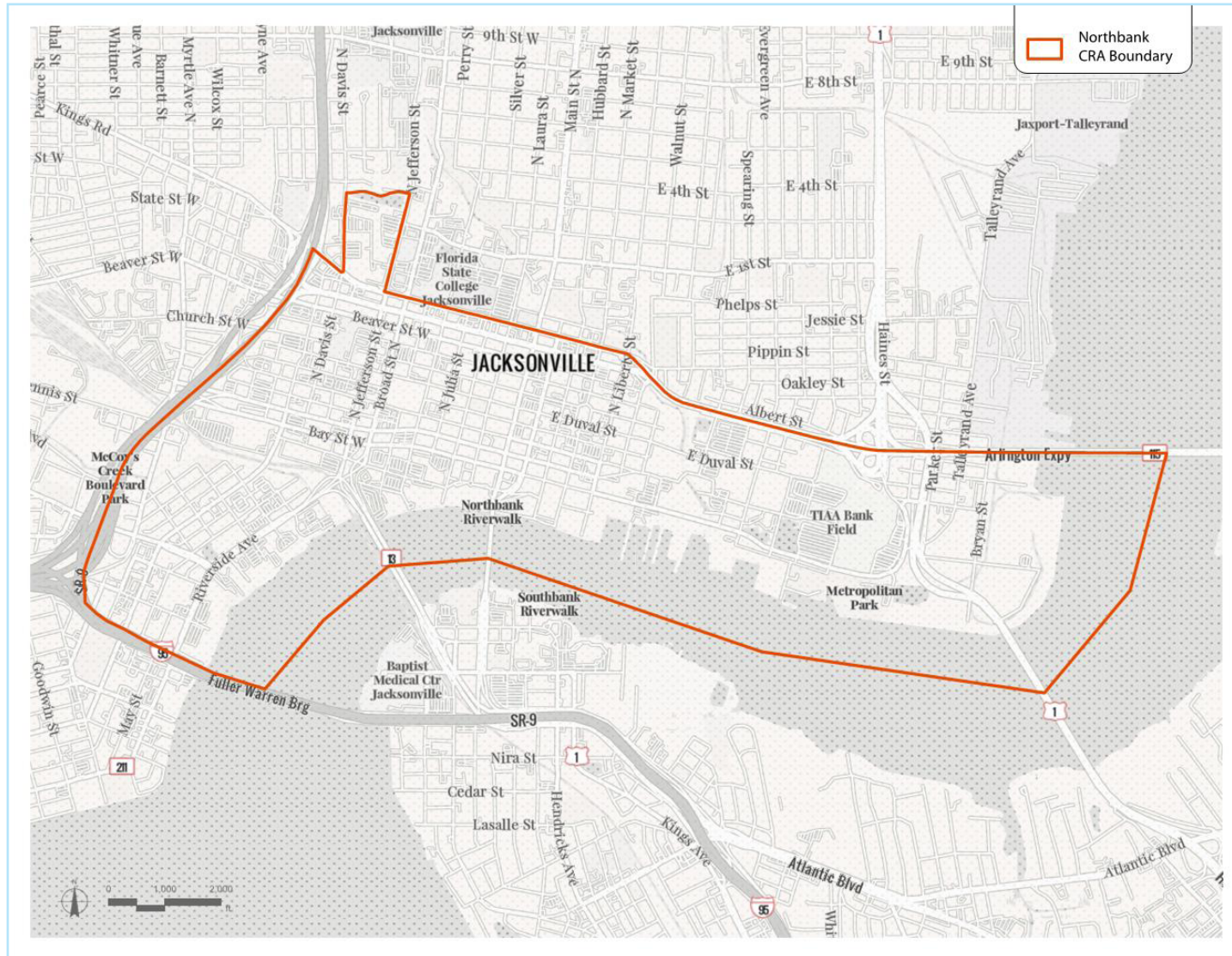
The Southside CRA will expire in 2041 and the Northbank will expire in two parts: Northside West in 2041 and Downtown East in 2045.

While the CRA Plans serve a longer timeframe based upon Florida Statutes, the BID seeks to drive economic growth by targeting projects which are defined by a much shorter strategic timeframe. Starting implementation in 2022, the BID timeframes have the following timelines: the near-term period of one, two, and three years (2022 – 2025); the mid-term period of four to seven years (2025 – 2029); and the long-term period from year eight to eleven (2029 – 2033). Further defined in this BID Strategy, located within the "Implementation of the BID Strategy" section, there are tables referred to as the "YEARS TABLES", which detail each project, program, professional service, and initiative recommended by the DIA Board and Staff for funding in part or in whole. These tables also point out where the expanded project description is located in the Plan, and the Goals that each of them meets. These tables are not only used as a manner by which to program funding and execution, but to use as the Tiers System review and evaluation method. This is further explained in that section. Moving forward, a combination of market forces and public policies will shape investment and development patterns in Downtown Jacksonville.

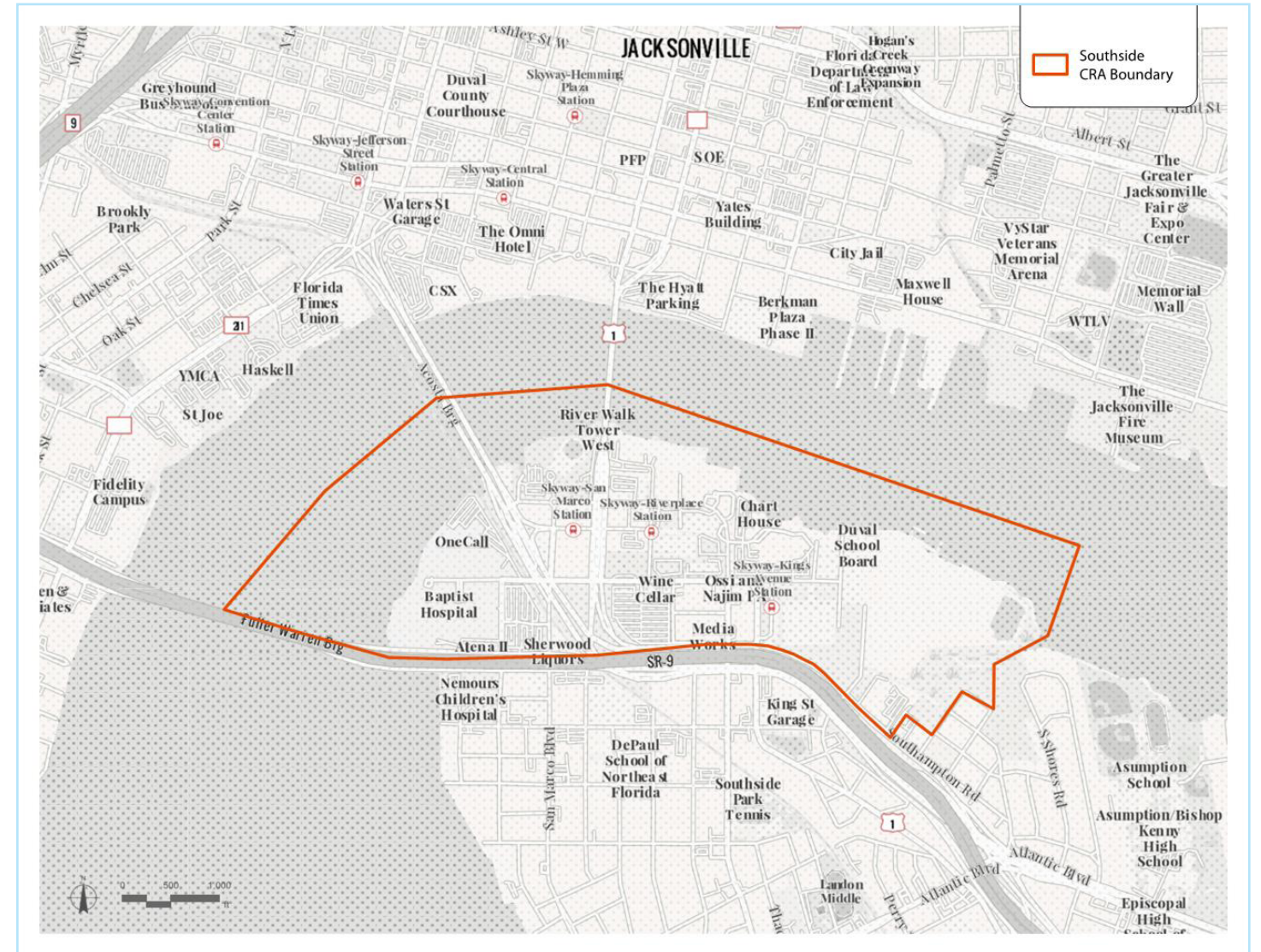


# Community Redevelopment Area Maps

### Downtown Northbank CRA Boundary

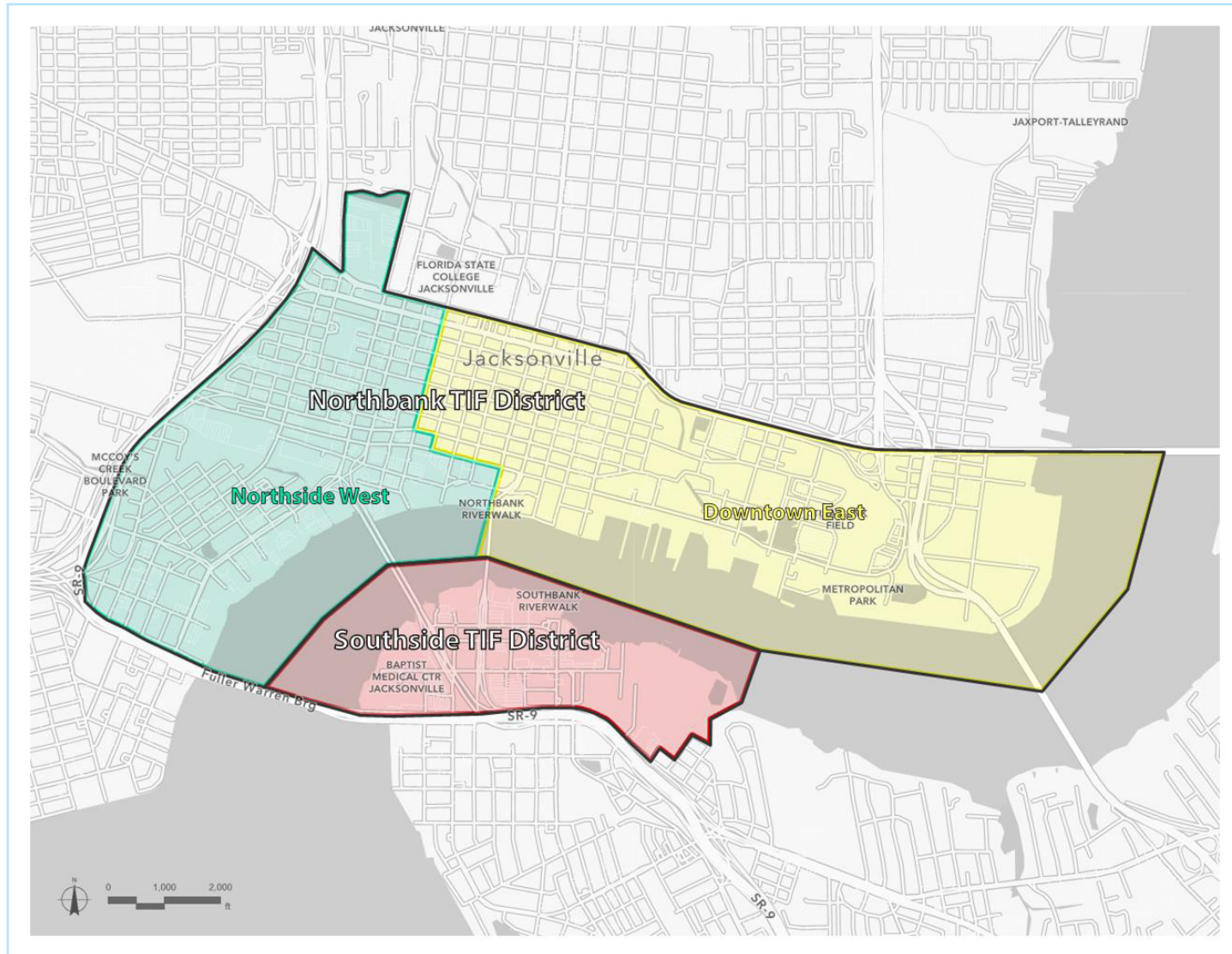


### Southside CRA Boundary



# Tax Increment Finance Area Map

## TIF District Boundaries



A major component to the BID is ensuring that businesses and developers operate in a healthy environment. Local-serving businesses provide Downtown residents the opportunity to conveniently experience civic and cultural activities and procure goods and services from eateries, bookstores, banks, dry cleaners, home furnishing stores, pet services, unique local retail stores, convenience stores, pharmacies, evening entertainment, etc.

Export-oriented businesses sell goods and services to consumers anywhere outside of Downtown such as, to name just a few, marketing, advertising, technology, health, financial, fine art, and professional services. The difference between the local-serving and export-oriented sectors is critical because they depend on distinct revenue bases and infuse wealth into the local economy in different ways.

Once again, it is expected that both sectors will grow and thrive, if Downtown Jacksonville’s economic environment is competitive. Most importantly, the DIA and its management of the CRAs and the BID must be supported by private sector leaders Downtown and throughout the City of Jacksonville, as well as future governmental administrations and business leaders in order for the DIA to stay the course with the implementation of the BID. Having only limited control might not be as desirable as having complete control, but the absence of full control over an important goal is not

a characteristic unique to economic development among local government programs (Adapted partially from the City of Menlo Park, Business Investment Plan, 2010).

To assess the BID’s effectiveness on the economic health of Downtown Jacksonville, it is recommended that the DIA focus on tracking performance measures. Successful outcomes concentrate on changes in the lives of clients. While it is difficult to directly connect the success of the BID Strategy to certain economic statistics at the local level (e.g., median household income), tracking such indicators does provide a general understanding of the relative economic vitality of Jacksonville. Implementation Tables per the timeframe (2022-2033) for which this BID is to be implemented and the Performance Measurements by which they are to be evaluated, will allow the DIA to measure the progress of Jacksonville’s overall economic vitality.

The BID will be reviewed annually to monitor progress, ensuring alignment with other planning efforts within the City of Jacksonville. This approach enables efficient and effective local government services to be provided to Downtown Jacksonville’s business, residential, cultural, social, and development communities. Efforts to improve local economic vitality will be measured by the quantitative and qualitative performance measures contained within this document.

# INCENTIVES AND FUNDING PROGRAMS

A great deal of interest has been generated regarding development and the Downtown Investment Authority (DIA). The topic of the judicious use of incentives by the DIA follows with a flexible path for competitive development of projects. **It is critical to note that in any given year any local, state, and federal program may be underfunded or discontinued. The BID Strategy has a timeframe for implementation of 2022-2033. It is the responsibility of the DIA Governing Board, DIA Staff, and Downtown developers and residential and retail applicants to be mindful of the health of any such program for which funds are being sought.**



# Administrative

## Ease the Path to Development

The DIA is involved in both the financial and development side of projects, and is often involved during the entire life cycle of a project. In order to preserve continuity and assist with various issues, as they inevitably arise from time to time, DIA will assign a finance and real estate Ombudsman, focusing on the financial and transactional aspects, and a development Ombudsman, whose focus is on both Downtown Development Review Board approval, permitting assistance, etc.

For projects seeking City incentives, DIA will require applicants to compile specific information related to each project in order to custom build a plan for each development. A

specific application form has been created for each incentive program and a Project Profile Assessment (included as Appendix A) is a sort of “pre-application” for funding consideration. It is recommended that the DIA Staff further develop their in-house applications, processes, and procedures by which each applicant will submit their project, program, and/or initiative.

The DIA will review the DDRB application and review process to ensure for simplification and efficiency. In addition, the DIA will review the Downtown design guidelines, in cooperation with the Planning and Development Department and design experts, to improve the expectations of how the Downtown aesthetic will progress.

# Incentives

## Create the Tools That Allow Sustainable Growth

All DIA incentive approvals shall be subject to the following additional criteria adopted by City Council:

1. A subsequent or additional incentive may be awarded by the DIA Board to the same applicant or for the same building or development only if (a) the incentive is for a distinct scope of work or a distinct operating business not previously included in the prior incentive award; (b) the subsequent or additional incentive is awarded pursuant to a specific program approved in the BID Strategy; and (c) the subsequent or additional incentive does not modify any incentive previously approved by City Council.

2. All Resolutions regarding the award of new incentives to be considered by the DIA Board shall be accompanied by a staff report and no final action may be taken on a Resolution to

award an incentive unless a staff report making a recommendation of approval or disapproval has been delivered to the Board on such matter. The Board may approve a resolution contrary to staff recommendation, but in the event the Board recommends approval of an incentive contrary to a staff recommendation of disapproval, City Council approval of such award shall be required.

3. The cumulative total of incentives awarded by DIA for any one redevelopment project pursuant to the adopted criteria of the incentive programs specifically outlined in the BID Strategy shall not exceed \$18 million. If the cumulative total of incentives awarded, or contemplated, for a redevelopment project exceeds or is expected to exceed \$18 million, even if pursuant to adopted program criteria, the entire redevelopment agreement and all associated incentives shall require City Council approval.

4. The DIA shall incorporate language in all incentive awards directing recipients to comply with Chapter 126, Part 6 of the Jacksonville Ordinance Code. Incentive recipients shall strive to achieve a goal of JSEB participation equal to 20% of the incentive amount in any contract for services funded by an incentive (such as a loan or completion grant for construction) This provision would not be applicable to an incentive where the funding is used to offset a parking cost of a tenant (CRP) or similar program where the recipient is not entering into any contract for services or construction.

Development incentives are a set of policies that address circumstances that encourage economic development. These incentives take many forms such as: Tax Refunds, Tax Increment Financing, Enterprise Zones, Foreign Trade Zones, Historic Grants and Tax Credits, Interest write down, New Market Tax Credits, the use of Private/Public Partnerships, Predevelopment Loans, Grants, insurance programs, Non Ad-Valorem Loan Guarantees, enhanced public amenities, Brownfield funding and other Municipal Finance Strategies.

The following 21 incentives summarized below are adopted as part of the City’s current Public Investment Policy (“PIP”) and provide the City of Jacksonville the tools necessary to continue to attract quality development projects. For parameters and details on each program and its availability, please refer to the adopted Public Investment Policy as may be amended from time to time. Several programs referenced in the current PIP are inactive due to suspension of the programs by the state. For purposes of the BID Strategy, all incentives contained in the adopted PIP and available elsewhere within the City of Jacksonville, as the same may be updated and amended from

time to time, shall be available to the Downtown Investment Authority as the economic development agency for Downtown.

The 8 DIA specific incentives included in the current PIP are hereby updated and replaced by the 12 DIA specific incentives that follow the 21 citywide PIP Programs.

### 1. COJ Recapture Enhanced Value Grant (REV)

This REV grant is designed to bring private capital investment and redevelopment into a nonresidential project site. Utilizing a “base year” assessed property value (from the Property Appraiser’s database) for the project, a certain percentage of the city’s portion of the incremental increase in ad valorem taxes on real and/or tangible personal property paid by the project above the base year amount is available as a REV grant to incent the project (the “increment”).

The company is required to be in a Targeted Industry Category. The company must create at least 10 new full-time jobs. Wages must be greater than or equal to 60 percent of Duval County’s average annual wage, determined by the Florida Department of Economic Opportunity. The company must commit to a minimum of \$1 million in private capital investment. The standard grant will be up to 50 percent of the increment and up to 10 years. However, in some instances large number of jobs (over 100) and high capital investment (over \$10 million) may dictate that the OED present a project with a higher percentage and/or longer period of time for the grant. The company must be within an area deemed as economically distressed. A REV grant is paid annually to the developer AFTER construction of the project that creates the increment is completed and the tangible personal property becomes taxable, and the taxes are paid. In lieu of any other funding source, the REV Grant may be utilized to fund the City’s required match to any State program requiring such a match. In most

instances, REV grant recipients will be required to maintain a specific number of jobs throughout the grant payment term.

## 2. COJ Industrial Revenue Bonds (IRB)

The OED is the agency within the City of Jacksonville designated as the Industrial Development Authority. In this capacity, the OED is authorized to be the conduit issuer of tax-exempt bonds to finance the expansion or relocation of a development project as outlined in Chapter 104 Part 3 of the City of Jacksonville's Ordinance Code. These bonds are considered "conduit debt," therefore the City has no financial liability.

Applicants must retain either Bond Counsel or a Tax Attorney to review project scope and determine its eligibility to receive tax-exempt bond financing pursuant to federal, state and local regulations. Project assistance is determined by the needs and parameters of the project as determined by a TEFRA (Tax Equity and Fiscal Responsibility Act of 1982) hearing. A TEFRA hearing is mandated by the IRS to provide a reasonable opportunity for interested parties to express their views, either orally or in writing, on the issuance of bonds and the nature of the improvements and projects for which the bond funds will be allocated. Industrial Revenue Bonds (IRB's) are conduit financing instruments and although the bonds are issued by the City; there is no recourse against the issuing body. No conduit bond issued will be sold in the public bond market without a minimum rating from at least one of the three major bond rating agencies of "A" or better without regard to modifiers.

## 3. Disabled Veterans Hiring Bonus

This program is intended for the hiring of disabled veterans and builds upon existing federal and state veteran hiring programs. According to the U.S. Code (5 U.S.C. 2108), a "disabled veteran"

means an individual who has served on active duty in the armed forces, has been separated therefrom under honorable conditions, and has established the present existence of a service-connected disability or is receiving compensation, disability retirement benefits, or pension because of a public statute administered by the United States Department of Veterans Affairs or a military department.

The company is required to be in a Targeted Industry Category. (If the company is investing \$5 million or more, the company may get a waiver of this criterion). The company must create at least 20 new full-time jobs, provided that those companies would not otherwise be creating those jobs in Duval County (competitive location). Wages must be greater than or equal to 60 percent of Duval County's average annual wage, determined by the Florida Department of Economic Opportunity. Those companies located in Duval County that meet the above criteria and hire employees that qualify as a disabled veteran in accordance with the definition above are eligible for up to \$2,000 per employee hired. Incentives will be paid over a four-year period so long as the company can demonstrate proof of employment each year and proof that the employee is a qualified disabled veteran. The maximum payout by the City will be \$100,000 paid out over the aforementioned four-year term.

## 4. Local Training Grant

The workforce demands of companies can be the determining factor in whether a company decides to expand or relocate within a region. Often times, the company has performed a considerable amount of investigation and statistical gathering to reduce the amount of risk that it can find the necessary workforce in an area. While Jacksonville has a well-qualified and trained workforce in general, a number of qualified workers lack some of the very specific skills for which a company may be looking. It is the goal of this program to:

1. Provide Jacksonville a competitive advantage over other regions.
2. Continue to compete nationally by developing a better trained workforce.
3. Provide the newly created workforce an opportunity to expand their skill sets and ensure a better qualified and more easily employed individual.
4. Complement Career Source, Duval County Public Schools and private-sector programs.

The company is required to be in a Targeted Industry Category. The company must create at least 50 new full-time jobs, provided that those companies would not otherwise be creating those jobs in Duval County (competitive location). The company must be participating in the State of Florida's Florida Flex Grant Program and adhere to the training program requirements. The company is eligible for up to \$2,000 per employee hired. Incentives will be paid within a four-year period (expires after four years) so long as the company can demonstrate that the employee has met all training requirements of the State's Florida Flex Grant Program. The maximum payout by the City will be \$200,000 paid out without the aforementioned four-year term.

## 5. Closing Fund

In the past, the City has been presented with the opportunity to submit proposals on very large projects. The competition for these projects from other states and municipalities is substantial, with many of the other short-listed sites off-setting the companies' risks with larger incentives. While Jacksonville is a premium location for a company to locate or expand, the competition still remains. This fund would provide Jacksonville an opportunity to aggressively compete for a project that was deemed to be highly desirable, but also highly competitive.

The company is required to be in a Targeted Industry Category (Exhibit A). The company must either: create at least 200 new full-time jobs, provided that those companies would not

otherwise be creating those jobs in Duval County (competitive location) or; commit to a minimum of \$30 million in private capital investment. This program must be combined with other local incentive and State programs. This incentive can be used to meet the State's matching requirements.

## 6. Qualified Target Industry Tax Refund (QTI)

QTI is available for companies that create high wage jobs in targeted high value-added industries. This incentive includes refunds on corporate income, sales, ad valorem, intangible personal property, insurance premium, and certain other taxes. Pre-approved applicants who create jobs in Florida paying 115 percent or more of the State of Florida average wage (Exhibit F), receive tax refunds of \$3,000 per net new Florida full-time equivalent job created. For businesses paying 150 percent of the average annual wage, add \$1,000 per job; for businesses paying 200 percent of the average annual salary, add \$2,000 per job; businesses falling within a designated high impact sector or increasing exports of its goods through a seaport or airport in the state by at least 10 percent in value or tonnage in each year of receiving a QTI refund, add \$2,000 per job; projects locating in a designated Brownfield area (Brownfield Bonus) can add \$2,500 per job. The local community where the company locates contributes 20 percent of the total tax refund. No more than 25 percent of the total refund approved may be taken in any single fiscal year. New or expanding businesses in selected targeted industries or corporate headquarters are eligible.

## 7. Quick Action Closing Fund (QACF)

QACF is a discretionary grant incentive that can be accessed by Florida's Governor, after consultation with the President of the Senate and the Speaker of the House of Representatives, to respond to unique requirements of wealth-creating projects. When Florida is vying for intensely competitive projects, Closing Funds may be utilized to overcome a distinct, quantifiable

disadvantage after other available resources have been exhausted. The Closing Fund award is paid out based on specific project criteria outlined in a performance-based contract between the company and the State of Florida. Wages must be greater than or equal to 125 percent of the State of Florida average wage. Sanctions are applied to companies who fail to meet or maintain performance goals.

## 8. Florida Flex Grant Program (FKA: Quick Response Training Program)

Florida Flex Grant Program – an employer-driven training program designed to assist new value-added businesses and provide existing Florida businesses the necessary training for expansion. A state educational facility – community college, area technical center, school district or university – is available to assist with application and program development or delivery. The educational facility will also serve as fiscal agent for the project. The company may use in-house training, outside vendor training programs or the local educational entity to provide training.

Reimbursable training expenses include: instructors'/trainers' wages, curriculum development, and textbooks/manuals. This program is customized, flexible, and responsive to individual company needs. To learn more about the Florida Flex Grant Program, visit CareerSource Florida.

## 9. High-Impact Performance Incentive Growth (HIPI)

HIPI is a negotiated grant used to attract and grow major high impact facilities in Florida. Grants are provided to pre-approved applicants in certain high-impact sectors designated by the Florida Department of Economic Opportunity (DEO). In order to participate in the program, the project

must: operate within designated high-impact portions of the following sectors– clean energy, corporate headquarters, financial services, life sciences, semiconductors, and transportation equipment manufacturing; create at least 50 new full-time equivalent jobs (if a R&D facility, create at least 25 new full-time equivalent jobs) in Florida in a three-year period; and make a cumulative investment in the state of at least \$50 million (if a R&D facility, make a cumulative investment of at least \$25 million) in a three-year period. Once recommended by Enterprise Florida, Inc. (EFI) and approved by DEO, the high impact business is awarded 50 percent of the eligible grant upon commencement of operations and the balance of the awarded grant once full employment and capital investment goals are met.

## 10. Capital Investment Tax Credit (CITC)

CITC is used to attract and grow capital-intensive industries in Florida. It is an annual credit, provided for up to twenty years, against the corporate income tax. Eligible projects are those in designated high-impact portions of the following sectors: clean energy, biomedical technology, financial services, information technology, silicon technology, transportation equipment manufacturing, or be a corporate headquarters facility. Projects must also create a minimum of 100 jobs and invest at least \$25 million in eligible capital costs. Eligible capital costs include all expenses incurred in the acquisition, construction, installation, and equipping of a project from the beginning of construction to the commencement of operations. The level of investment and the project's Florida corporate income tax liability for the 20 years following commencement of operations determines the amount of the annual credit.

## 11. Economic Development Transportation Fund (EDFT)

The Economic Development Transportation Fund, commonly referred to as the "Road Fund," is an incentive tool designed to alleviate transportation

problems that adversely impact a specific company's location or expansion decision. The award amount is based on the number of new and retained jobs and the eligible transportation project costs, up to \$3 million. The award is made to the local government on behalf of a specific business for public transportation improvements.

## 12. Recapture Enhanced Value (REV) Grant *within an Economically Distressed Area*

A "REV" grant is designed to bring private capital investment and redevelopment into a nonresidential project site. Utilizing a "base year" assessed property value (from the Property Appraiser's database) for the project, a certain percentage of the city's portion of the incremental increase in ad valorem taxes on real and/or tangible personal property paid by the project above the base year amount is available as a REV grant to incent the project (the "increment").

The company is required to be in a Targeted Industry Category. The company must create at least 10 new full-time jobs. Wages must be greater than or equal to 60 percent of Duval County's average annual wage, determined by the Florida Department of Economic Opportunity. The company must commit to a minimum of \$1 million in private capital investment. The standard grant will be up to 50 percent of the increment and up to 10 years. However, in some instances large number of jobs (over 100) and high capital investment (over \$10 million) may dictate that the OED present a project with a higher percentage and/or longer period of time for the grant. Within an area deemed as economically distressed:

- Level 1: grant amounts may go up to 60%
- Level 2: grant amounts may go up to 75%

A REV grant is paid annually to the developer AFTER construction of the project that creates the increment is completed and the tangible personal property becomes taxable, and the taxes are paid. In lieu of any other funding source, the REV

Grant may be utilized to fund the City's required match to any State program requiring such a match. In most instances, REV grant recipients will be required to maintain a specific number of jobs throughout the grant payment term. For criteria for REV grants outside of an economically distressed area, see page 9.

## 13. Commercial Development Area Program

Designed to retain and attract businesses in commercial corridors located in economically distressed areas by providing loans to finance the purchase of machinery and equipment and/or leasehold improvements.

The company must be located within a designated economically distressed area. Project must be located in a commercial corridor and must have a letter of recommendation from the Planning Department which states that the project is consistent with the established goals of the applicable planning document. The maximum amount of public investment is 20 percent of total proposed project cost (up to \$100,000). The amount of public investment is determined by the impact to the area and the financial needs of the project. All assistance will be in the form of low interest loans. These loans may be structured in the form of a forgivable loan with certain milestones (job creation, machinery purchased, expansion goals reached, total sales, etc.) being met. Funds may be used for leasehold improvements (including professional fees associated with the design and permitting of the proposed construction activities), purchasing machinery and equipment, purchasing furniture and fixtures (for retail buildings located on the first floor of commercial buildings providing a needed product/service), and professional fees and soft costs associated with closings and documentation of small business loans. Eligibility is subject to standard underwriting criteria.

## 14. Facade Renovation Grant Program

to provide commercial or retail façade renovation funding assistance for existing businesses in targeted areas. In these areas, the insufficient infrastructure coupled with degrading structures has become an obstacle to business location and expansion. The collateral/equity in the buildings in these areas do not translate into enough to get traditional financing/loans to make improvements and thus the buildings continue to degrade. The public investment in the facades of structures in strategic areas not only will provide the gap in equity to get traditional financing for upgrades; it has the potential to translate into enhanced sales and/or customers for many of the businesses in these areas. Furthermore, these renovations can help in reducing blight and creating positive momentum toward community redevelopment.

The company must be located within a designated economically distressed area. The company must be located within a commercial corridor meeting all required zoning. The property must be in good standing with the City and have no outstanding liens or violations. The program matches two dollars of City funding for every one dollar of eligible façade renovation costs (including contributions of materials with documented receipts) borne by the owner/tenant up to a maximum of:

- Level 1 Areas - \$5,000 in City funding.
- Level 2 Areas - \$10,000 in City funding.

Funds may be used for renovation of the front and sides of buildings visible to public streets (including painting, cleaning, staining, masonry repairs, repairing or replacing cornices, entrances, doors, windows, decorative details and awning, signage) as well as decorative fencing (not chain-link), landscaping elements required by City Code – Ch. 656 Zoning Code-Part 12 and permanently affixed exterior lighting. Funds may not be used for residential property, building permits, acquisition of property, machinery or

equipment, working capital, inventory or refinancing of existing debt. Businesses eligible for the Façade Renovation Grant Program must strive to utilize City approved JSEB's for renovation work associated with this grant. Business structures receiving Façade Renovation Grant funds must be in compliance with all existing city, state, and federal building codes and regulations and permitting requirements as a prerequisite to the receipt of funds. Grant eligibility is limited to one address per year.

## 15. Local QTI Bonus

Currently, there are portions of Duval County that have high unemployment with low average wages and low property values (representing a depressed real estate market). This incentive is being proposed to attract greater private sector investment; to expand the opportunity for individuals in this area to gain high wage employment; and lower the overall unemployment rate in Duval County by providing jobs at a wage level that is rarely available in these areas of the community.

The company is required to be in a Targeted Industry Category. The company must be located within a designated economically distressed area. The company must create at least 10 new full-time jobs, provided that those companies would not otherwise be creating those jobs in Duval County (competitive location). The project must qualify for the State's QTI Program, and obtain the necessary approvals from both the State and local entities. The City will add a 100 percent local match bonus to be paid under the same terms as the approved QTI grant. This does not affect the State contribution in any way. Projects that qualify for this program are not eligible to use the Economically Distressed Area Targeted Industry Program.

## 16. Economically Distressed Area Targeted Industry Program

Currently, there are portions of Duval County that have high unemployment with low average wages and low ad valorem (representing a depressed real estate market). This incentive is being proposed to attract greater private sector investment; to expand the opportunity for individuals in this area to gain employment; and lower the overall unemployment rate in Duval County by providing jobs at a wage level commensurate with skill and education/training levels.

The company is required to be in a Targeted Industry Category. The company must be located within a designated economically distressed area. The company must create at least 10 new full-time jobs. Wages must be greater than or equal to 60 percent of Duval County's average annual wage, determined by the Florida Department of Economic Opportunity. In most instances, Economically Distressed Area Targeted Industry Program recipients will be required to maintain a specific number of jobs throughout the payment term.

- Award amount:
- Level 1 – Up to \$1,000 per job.
  - Level 2 – Up to \$2,000 per job.

Incentives will be paid over a four-year period – only after COJ verifies the wages and hires were met. The award by the City will be paid out over the aforementioned four-year term:

- Level 1 - \$500,000 maximum, \$125,000 maximum per year
- Level 2 - \$1,000,000 maximum, \$250,000 maximum per year

Cannot be used if company qualifies for the Local QTI Bonus program.

## 17. COJ Tax Increment District Infrastructure Development (TID Infrastructure Development)

TID Infrastructure Development program is designed to attract economic development to these targeted areas of the city by providing infrastructure improvements to create opportunities for businesses that will create new jobs and increase the tax base within the CRA.

The company must be located within a designated CRA. The project is deemed to be in accordance with the adopted CRA Plan. The company must create at least 20 new full-time jobs. The company must commit to a minimum of \$1 million in private capital investment.

The maximum amount of public investment is 25 percent of total proposed project cost. The amount of public investment is determined by the impact to the area and the financial needs of the project. Project funding subject to available funds within that TID. Projects are subject to approval by CRA boards, if applicable. Projects that receive assistance from the TID Program may also be eligible for other public investment programs.

## 18. COJ Business Infrastructure Grant/Loan (BIG)

The BIG program is designed to attract economic development to the Northwest area by providing access to capital for infrastructure improvements to commercial businesses that increase the tax base.

The company must be located within Northwest Jacksonville. The maximum amount of public investment is 25 percent of total proposed project cost (up to \$250,000). The amount of public investment is determined by the impact to the area and the financial needs of the project. Grants are limited to 10 percent of the total proposed project cost (up to \$100,000). The minimum loan amount is \$25,000. Funds may be used for infrastructure improvements including but not limited to road construction, water and sewer

lines, fencing, sidewalks, entryways, lighting and handicap accessibility to the project site. Projects that receive assistance for the construction of roads or for water or sewer utilities may be eligible for other public investment programs. Eligibility is subject to standard underwriting criteria.

### 19. COJ Large Scale Economic Development Fund

Targets commercial projects that add to the tax base, anticipates new employment in excess of 50 persons or makes a significant economic impact within a targeted area.

The company must be located within Northwest Jacksonville. The company must create at least 50 new full-time jobs. The company must commit to a minimum of \$1 million in private capital investment. The maximum amount of public investment is 25 percent of total proposed project cost (up to \$2,000,000). The amount of public investment is determined by the impact to the area and the financial needs of the project.

Grants are limited to 10 percent of the total proposed project cost (maximum of \$600,000). Grant amounts are also determined by a project's wage levels. The minimum loan amount is \$25,000. Funds may be used for acquisition of land or buildings, infrastructure related costs, new construction and renovation of commercial buildings ("hard" costs only). Eligibility is subject to standard underwriting criteria.

### 20. COJ Small Business Development Initiative (SBDI)

The SBDI was established to stimulate small business investment within the defined Northwest Jacksonville targeted area of the city, increase the tax base in that area and create access to jobs for area residents.

The company must be located within Northwest Jacksonville. The maximum amount of public investment is 25 percent of total proposed project cost (up to \$250,000). The amount of public investment is determined by the impact to the area and the financial needs of the project. Grants are limited to 10 percent of the total proposed project cost (up to \$50,000). Grant amounts are also determined by a project's wage levels and number of jobs to be created. Funds may NOT be used for working capital, furniture and fixtures, office equipment and other non-capital related expenses. Eligibility is subject to standard underwriting criteria.

### 21. Jacksonville Film & Television Job & Business Creation Incentive Program

This is a performance based program structured to attract high wage unique film and television production opportunities to Jacksonville that will hire area professionals and purchase goods and services from local businesses.

This program will be managed and facilitated by the COJ Office of Economic Development.

The Film & Television Job and Business Creation Program utilize different metrics than those applied to the Office of Economic Development (OED) Public Investment Policy Programs. The program is based on the total qualified expenditures in Duval County, following similar standards used by other Florida counties with similar programs. The Florida Office of Film and Entertainment did not use a ROI model in their application evaluation. However, they utilized a broader set of qualified expenditure criteria. Their program was based upon meeting minimum thresholds on qualified expenditures and hiring of Florida residents and first come-first serve priority. Offering a qualified production a 10% rebate for direct qualified expenditures.

- Must have a minimum of \$50,000 of qualified expenditures.
- Maximum reimbursement will be up to \$50,000, which is based off of \$500,000 of qualified expenditures.

**In addition to the 21 incentive programs identified in the previous pages, the following 12 incentive programs have been created for the purpose of implementation of the BID Strategy. All of the 12 incentive programs identified below are administered by the DIA.**

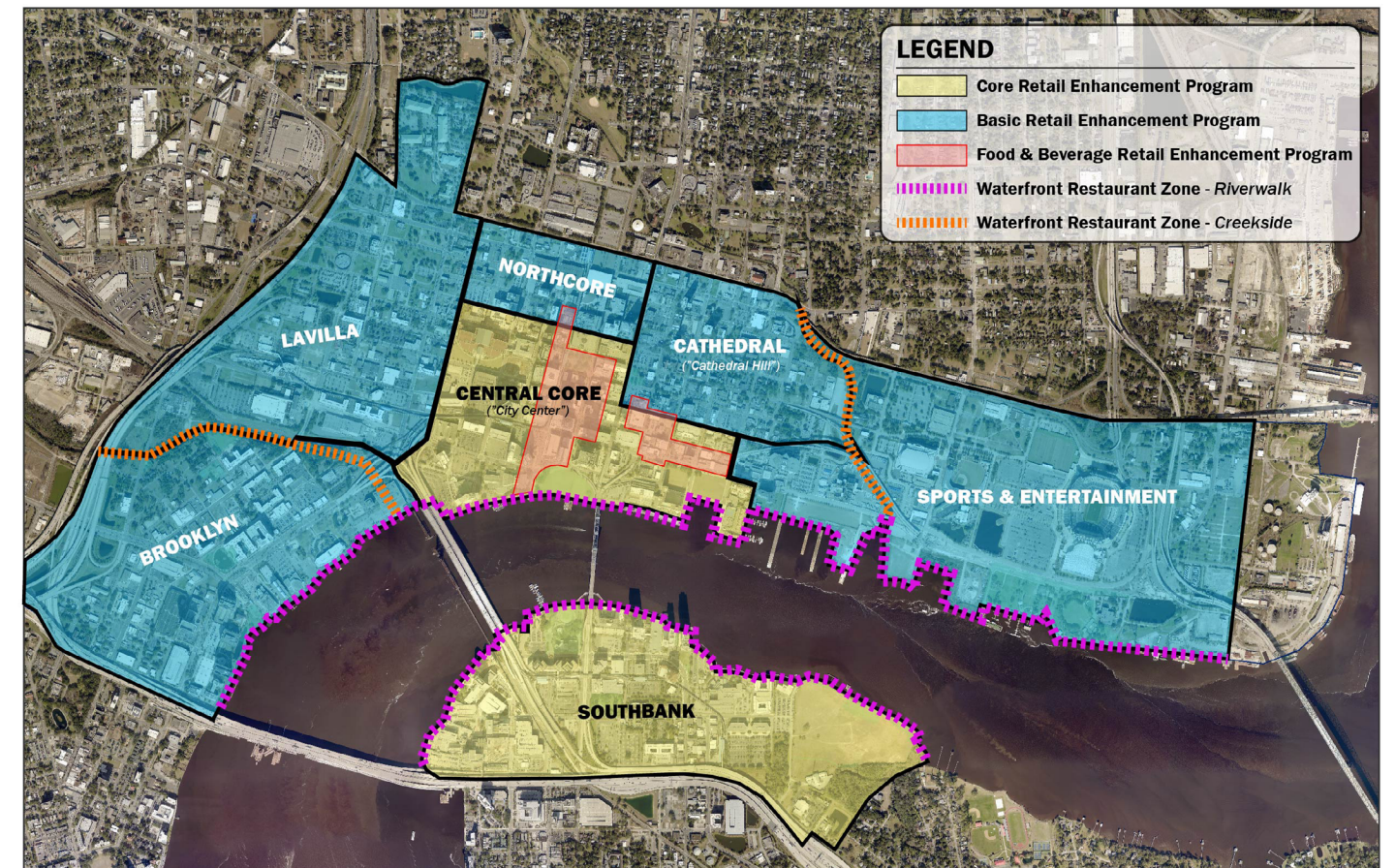
## 1. Retail Enhancement Program

### I. PURPOSE AND BENEFIT OF RETAIL PROGRAMS

The Downtown Investment Authority (DIA) is a community redevelopment agency for the Downtown Community Redevelopment Areas established by the City of Jacksonville ("City"). The DIA was formed to revitalize and preserve downtown property values and prevent deterioration in the downtown business district. The DIA supports the City's downtown revitalization objectives and through community workshops and input from numerous stakeholders, has determined that retail and restaurant recruitment and art galleries and entertainment themed businesses are beneficial throughout the Downtown area, and a priority within the area shown on the map attached hereto (the "Core Retail Enhancement Areas").

Further, within the Core Retail Enhancement Areas, two Targeted Food and Beverage Districts have been established ("FABREP Districts") to create compact, safe, and walkable dining districts. Sidewalk Enhancement Grants are also authorized within the FAB REP Districts.

Collectively, these geographies are referred to as the Retail Program Areas and four distinct incentive programs have been established under the Retail Enhancement Grant umbrella specific to each of these areas.



**II. FUNDING SOURCES**

All Retail Enhancement programs will be structured as grants with clawbacks subject to maintaining performance requirements during a defined compliance period but are often interchangeably referred to as Forgivable Loans. To streamline documentation, DIA has chosen to eliminate Loan agreements and recorded security instruments in favor of grant agreements with applicable clawback language. All eligible properties are located within the boundaries of either the Northbank or Southside CRA (the "Retail Program Areas"). As such, individual awards will be funded from the Retail Enhancement Program funding of the applicable CRA or from the available Forgivable Loan or Retail Enhancement Program funding within the Downtown Economic Development Fund.

The DIA will allocate funds on an as needed basis to provide recoverable grants to any property or business owner with qualified projects to assist with paying some of the costs associated with renovating or preparing commercial space for retail, salon, restaurant, gallery or other similar use for occupancy as identified more completely elsewhere in these guidelines.

**III. GENERAL REQUIREMENTS APPLICABLE TO ALL RETAIL PROGRAMS**

- Retail tenants for these purposes are identified as: 1) businesses that sell products on a transactional basis to end consumers; 2) food and beverage establishments; or 3) providers of services targeted towards the general public (other than health care, legal, or financial advisory).
- Businesses operating exclusively or primarily on a membership or appointment basis and not welcoming walk-in customers, or providing goods and services targeted principally to other businesses, shall not generally meet this definition, unless approved on a case-by-case basis.
- Business eligibility for may be further limited as outlined in each program guidelines found below.
- The project must be consistent with the Downtown Master Plan and the Downtown Zoning Overlay.
- Locations should be ground floor, street facing, and designed to attract the general public except in the case of second floor restaurants directly accessible from street which may qualify.
- All rehabilitation work and design features must comply with all applicable city codes, ordinances, the established Downtown Development Review Board Guidelines and the Downtown Zoning Overlay.
- Work must follow plans and specifications submitted to DIA as part of the program application.
- Work must be completed within the time frame established by the DIA for each project
- All applicable licenses and permits must be obtained, including all permits required by the City of Jacksonville’s Planning Department, Development Services Division.
- All costs of enforcement of any clawback shall be the responsibility of the applicant.
- Sales reporting shall be a condition of receiving any Retail Enhancement Programs incentive other than the Stand-alone Sidewalk Enhancement Grant.

**IV. PROGRAM PARAMETERS APPLICABLE TO ALL RETAIL PROGRAMS**

Funds may be used to retain and improve existing businesses or to recruit new businesses in the geographic areas identified in each Retail Enhancement Program. The following identifies specific goals for the Program:

- Expand the local property tax base by stimulating new investment in older, Downtown properties;
- Expand state and local sales tax base by increasing sales for new or existing shops; and

- Attract new and retain existing business to/in Downtown by decreasing renovation costs incurred for modernizing retail space in older, commercial properties in the Retail Program Areas.
- Establish new retail businesses in new properties deemed to be making significant contributions to growth within an identified area of importance within the Retail Program Areas.

To advance recruitment and marketability, the recoverable grant ("Grant") provides an incentive to improve the interior appearance and functionality and the utility of street level storefronts for the purpose of attracting retail and restaurant owners/investors and to draw more commercial activity to the Downtown area.

a. Desired Retail Businesses for the Retail Program Areas: The following is a list of desired retail and other businesses in the Retail Program Areas. The list on the following page is not all-inclusive but serves as a guide only:

Desired Retail Businesses List:	
Apparel Stores Including Accessories (purses, scarves, hats)	Specialty Retail Apparel such as Bridal, Formal Gown, Tuxedo, Costume
Toy Stores	Hobby Stores, Craft Store and Supplies
Art Supplies, Framing Stores	Pet Stores and Supplies
Specialty Food Stores/Delicatessens	Restaurants
Coffee/Tea Shops	Gift Stores
Book Stores	Stationary Stores
Kitchen/Home Accessories	Small Appliances
Electronics	Sporting Goods
Entertainment Venues	Jewelry Stores
Florists	Shoe Stores
Art Galleries	Office Supply Stores
Pharmacies	Grocery/Butcher/Fresh Seafood/Produce

b. Program Funding Uses:

- Remodeling, renovation, rehabilitation, installation, and additions to the interior and exterior of the commercial building are eligible for Grant funds. Grant funds shall be used to modify and improve buildings and shall not be used for normal maintenance or repair.
- The ground floor of mixed-use projects improving multiple floors can qualify for funds; provided the ground floor will be used for retail and only renovations to the ground floor are part of the eligible renovation or build out scope.
- Generally, renovation projects must exceed \$50,000 before DIA will consider the project for grant funding.
- Grantee must remain in the location for three (3) years and must create or retain two (2) or more full-time equivalent jobs (which may include the owner operator) during the term of the agreement for a minimum of thirty-two (32) operating hours per week during which the doors must be open at all times.
- Existing retailers who need to modernize the location or business owners at the end of their lease term who are considering moving from Downtown can qualify for grant funds.
- Applicants proposing to use Grant funds to help relocate from one Downtown building to another are not eligible to receive Grant funds unless the proposed move is necessary for business expansion that includes job creation, involuntary displacement from current space that is unrelated to financial or operating disputes, or similar circumstances.

- Applicants proposing to construct new buildings are not eligible under this program, unless expressly identified otherwise elsewhere within these guidelines.
- Other non-eligible projects include adult entertainment venues, single-serving package stores, business-to-business companies, non-profit and government agencies.
- Eligible Grant expenditures include (among others as may be determined in underwriting):
  - Interior demolition or site preparation costs as part of a comprehensive renovation project.
  - Permanent building improvements, which are likely to have universal functionality. Items including but not necessarily limited to demising walls, exterior lighting, code compliant restrooms, electrical wiring to the panel, HVAC systems.
  - Improvements to meet Fire and Life Safety codes and/or Americans with Disabilities Act requirements.
  - Exterior improvements including signs, painting, or other improvements to the outside of a building.
  - Sanitary sewer improvements.
  - Grease traps.
  - Elevator Installation which services the retail.
- Ineligible Grant expenditures include (among others as may be determined in underwriting):
  - Temporary or movable cubicles or partitions to subdivide space.
  - Office equipment including computers, telephones, copy machines, and other similar items.
  - Renovating space on a speculative basis to help attract new tenants. (Note: This provision can be waived pursuant to the recommendation of the REPD committee and approval by the DIA Board).
  - Moving expenses.
  - Working capital.
- c. General Retail Enhancement Grant Requirements: Applicants will be required to execute a grant agreement and other security documents, including personal guarantees, as may be deemed necessary. The Grants shall be recoverable and amortized over a period of three (3) years. The principal amount of the Grant will fully amortize over a period of three (3) years at a rate of 33.33 percent each year. If the grantee does not default on the Grant terms during the required three (3) year period, the Grant will be closed on the third anniversary date.

V. APPLICATION REQUIREMENTS APPLICABLE TO ALL RETAIL PROGRAMS

A completed application signed by the applicant(s) must be provided to DIA Staff and will serve as the basis for the staff report to be presented to the Retail Enhancement and Property Disposition Committee (“REPD”) of the DIA Board. With the application, each applicant must provide the following, unless stated otherwise elsewhere in these guidelines:

- a. Evidence that the applicant is prepared to do business by including with the application the following required items:
  - Business Plan to include:
    - Concept and target market
    - Advertising/marketing plan
    - Source of cash/start-up capital
    - Summary of management team’s skills and experience related to the proposed business
    - Number of job positions created (will require a commitment to be maintained through the compliance period)
    - Days and hours of operation (will require a commitment to be maintained through the compliance period)

- Three-year operating pro-forma and cash flow analysis
- Design for the storefront and interior
- Plan for merchandising (inventory levels, brands)
- b. A detailed written description and scaled elevation drawing depicting the size, dimension, and location of the improvements and modifications, with samples when applicable.
- c. A legally valid and binding new lease for a period of at least three years with use restricted to an allowable retail use. The lease may be fully negotiated, but not yet executed, but the executed form of the lease will be a requirement of funding.
- d. A fully negotiated agreement and construction budget with a licensed and qualified contractor.
- e. If the tenant is paying for the improvements, the lease must provide for a minimum of free rent, discounted rent, or equivalent thereof in lieu of the property owner having to share the cost of the improvements.
- f. Unless the property owner is the applicant, a notarized statement from the property owner authorizing the construction and improvements.
- g. If the property owner is the applicant, a copy of the property tax bill or deed to confirm ownership of the property.

VI. PROJECT EVALUATION CRITERIA APPLICABLE FOR ALL RETAIL PROJECTS

The primary criteria for approval for any retail incentive will be the feasibility of the business plan. A successful business plan will be the one that conveys the most promising combination of relevant experience, financial feasibility, product and market research, growth potential and job creation.

The Project Evaluation Criteria and allocated points are listed on the following page:

- a. Business Plan (see point breakdown below) – (up to 40 points)
  - Plan shows good short-term profit potential and contains realistic financial projections (up to 10 points)
  - Plan shows how the business will target a clearly defined market and its competitive edge (up to 5 points)
  - Plan shows that the management team has the skills and experience to make the business successful (up to 10 points)
  - Plan shows that the entrepreneur has made or will make a personal (equity) investment in the business venture (up to 10 points)
  - Number of FTE job positions created in excess of the required two (2) positions (up to 5 points)
- b. Expansion of the local property tax base by stimulating new investment in existing Downtown properties (up to 5 points for properties five years and older and an additional 5 points if the property is a historic property (local landmark status or contributing structure status) – maximum of 10 points)
- c. Expansion of the state and local sales tax base by increasing sales for new or existing shops (up to 5 points)

Minimum score of 30 points out of 55 points possible is required to have the proposed project referred to the REPD Committee for funding consideration.

VII. REVIEW AND AWARD PROCEDURE APPLICABLE TO ALL RETAIL PROGRAMS

All completed applications will be reviewed by DIA Staff and if a project is determined to be eligible, presented to the REPD Committee of the DIA Board. The REPD Committee will make recommendations based on the DIA staff’s evaluation of the project prepared utilizing the Project Evaluation Criteria below. A minimum score of thirty (30) points must be obtained by the applicant in staff review in order to be eligible for presentation to the REPD Committee. Recommendations of the REPD Committee will

be considered at the next regularly scheduled monthly meeting of the DIA Board for approval or denial of the application. Notification of Grant funding approval or denial will be sent to the applicant by the DIA staff within two business days following the DIA Board Meeting.

Applicants will be encouraged during the Grant review process to reuse, rehabilitate or restore historic architectural elements to retain the charm and character of older buildings and incorporate design principles sensitive to neighboring building structures.

- Applicant shall complete and submit application form with all required supporting documents to the DIA staff. Processing of the application will not commence until the application is deemed complete.
- DIA staff schedules a meeting with applicant to review the project.
- DIA staff will review the project and provide comments to the applicant relating to any application requirement deficiencies.
- If the application requirements have been met, the DIA staff will evaluate the project utilizing the Project Evaluation Criteria and present a staff report summarizing the application, business plan, project budget, and recommended Grant amount to the REPD Committee for review and approval.
- If the application and Grant amount is approved by the REPD Committee, resolution, term sheet, and staff report will move forward for consideration at the next regularly scheduled DIA Board meeting.
- DIA Board approves, modifies, or rejects the recommendation of the REPD Committee. If approved or modified, DIA staff is directed to work with the Office of General Counsel to prepare a grant agreement, utilizing the form approved by the DIA and other applicable security documents or guarantees as may be considered necessary for signature by the applicant. The agreement shall identify the approved scope of work, terms of compliance, and amount of the Grant.
- Applicant or contractor(s) must secure a building permit and approval from the Downtown Design Review Board for the complete scope of work, and contractors must be registered with the City. Use of JSEB contractors in accordance with Section 126 will be a requirement in each grant agreement.
- Upon completion of the project and final approvals of all required inspections, the applicant may request reimbursement of eligible expenses. Reimbursement for improvements will require proof of payment (e.g., canceled checks, lien waivers, contractor affidavit).
- Following a request for reimbursement payment in accordance with the approved disbursement schedule, or upon completion of the project and final inspection and acceptance by the DIA, a one-time lump sum payment will be processed for approval and payment by DIA staff. The payment request will be processed within thirty (30) business days from receipt of the reimbursement request and all supporting documentation as deemed necessary.
- Prior to reimbursement, the applicant must hold a current occupational license to do business in the City.

*Up-front or limited “progress” payments may be available subject to Board approval based on applicant’s willingness to provide a personal guarantee and a business plan score of 48 or higher.*

#### VIII. BASIC RETAIL ENHANCEMENT GRANT PROGRAM

For areas outside the boundaries of the Core Retail Enhancement Areas, and for certain new construction within the boundaries of the Core Retail Enhancements Areas, the following Base Retail Enhancement Program grants shall be available:

- a. Basic Retail Program Grant Requirements: In addition to the requirements above, applicant projects will be subject to the following Program requirements:

- Projects located in the Cathedral, NorthCore, LaVilla and Brooklyn Districts within Downtown, outside the boundaries of the Northbank or Southbank Core Retail Enhancement Areas will be eligible.
  - New street-level spaces in ground-up construction that are either at least 5,000 sq ft or in corner locations wherever located within Downtown will be eligible.
  - Remodeling, renovation, rehabilitation, installation, and additions to the interior and exterior of the existing commercial building, as well as tenant improvement costs beyond vanilla shell for new corner or large footprint retail establishments are eligible for Grant funds.
  - Grant funds shall be used to modify and improve existing buildings or build out eligible space in new buildings beyond vanilla shell and shall not be used for normal maintenance or repair.
- b. Additional business uses eligible for Basic Program (outside Core Retail Enhancement Areas): Provided such businesses meet storefront transparency requirements and access directly from the street, and otherwise comply with the program parameters, creative office uses such as those identified below may participate outside the Core Retail Enhancement Areas.
    - Business incubators
    - Education/academia
    - Information technology offices
    - Co-work office spaces
  - c. Basic Retail Program Grant Funding: The Grant offers a maximum grant award of \$20 for every square foot leased or occupied by the proposed tenant or business as recommended by DIA staff, the REPD Committee, and approved by the DIA Board. The amount of incentive dollars awarded shall not exceed 50% of the total project construction costs. The application may be made by the property owner, the tenant or jointly by the property owner and the tenant.

The applicant’s verified expenditures for the improvements must match or exceed the amount of the Grant funding (a minimum of \$1 to \$1 ratio). The amount of the Grant shall not exceed the \$20 for every eligible square foot leased or occupied by the proposed tenant or business.

#### IX. CORE RETAIL ENHANCEMENT GRANT PROGRAM

The Core Retail Enhancement Grant Program (the “Program”) is designed to create momentum in the critical task of recruiting and retaining restaurant and retail businesses in the Northbank and Southbank **Core Retail Enhancement Areas** as designated in the attached map.

- a. Core Retail Program Grant Funding: The Grant offers a maximum grant award of \$30 for every square foot leased or occupied by the proposed tenant or business as recommended by DIA staff, the REPD Committee, and approved by the DIA Board. The amount of incentive dollars awarded shall not exceed 50% of the total project construction costs. The application may be made by the property owner, the tenant or jointly by the property owner and the tenant.
  - An incentive boost of \$5.00 per square foot shall be available to businesses primarily selling goods as opposed to services.
  - An incentive equal to triple-net costs plus \$7.00 per sq ft for percentage-rent only deals (not to exceed 7% of gross sales), with \$1.00 per sq ft less for every \$1.00 per sq ft charged in base rent.

The applicant’s verified expenditures for the improvements must match or exceed the amount of the Grant funding (a minimum of \$1 to \$1 ratio). The amount of the Grant shall not exceed the \$30 for every eligible square foot leased or occupied by the proposed tenant or business.

**X. TARGETED RETAIL ACTIVATION: FOOD AND BEVERAGE ESTABLISHMENT GRANT PROGRAM**

a. **Program Purpose and Benefit: Targeted Retail Activation:** Food and Beverage Establishments (“FAB-REP”) expands upon the Core Retail Enhancement Program 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 creates two distinct districts that 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, interesting public art and inviting outdoor spaces.

These activated streets will provide the urban lifestyle that many Downtown residents seek and also 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.

Operating as an enhanced incentive to the Core Retail Enhancement Grant Program, the Targeted Retail Activation: Food and Beverage Establishment Grant Program (“FAB-REP”), is designed to incentivize the investment and clustering of food and beverage establishments in two target areas: **The Elbow** and the **Hogan x Laura Districts**. These target areas were chosen based on the following factors:

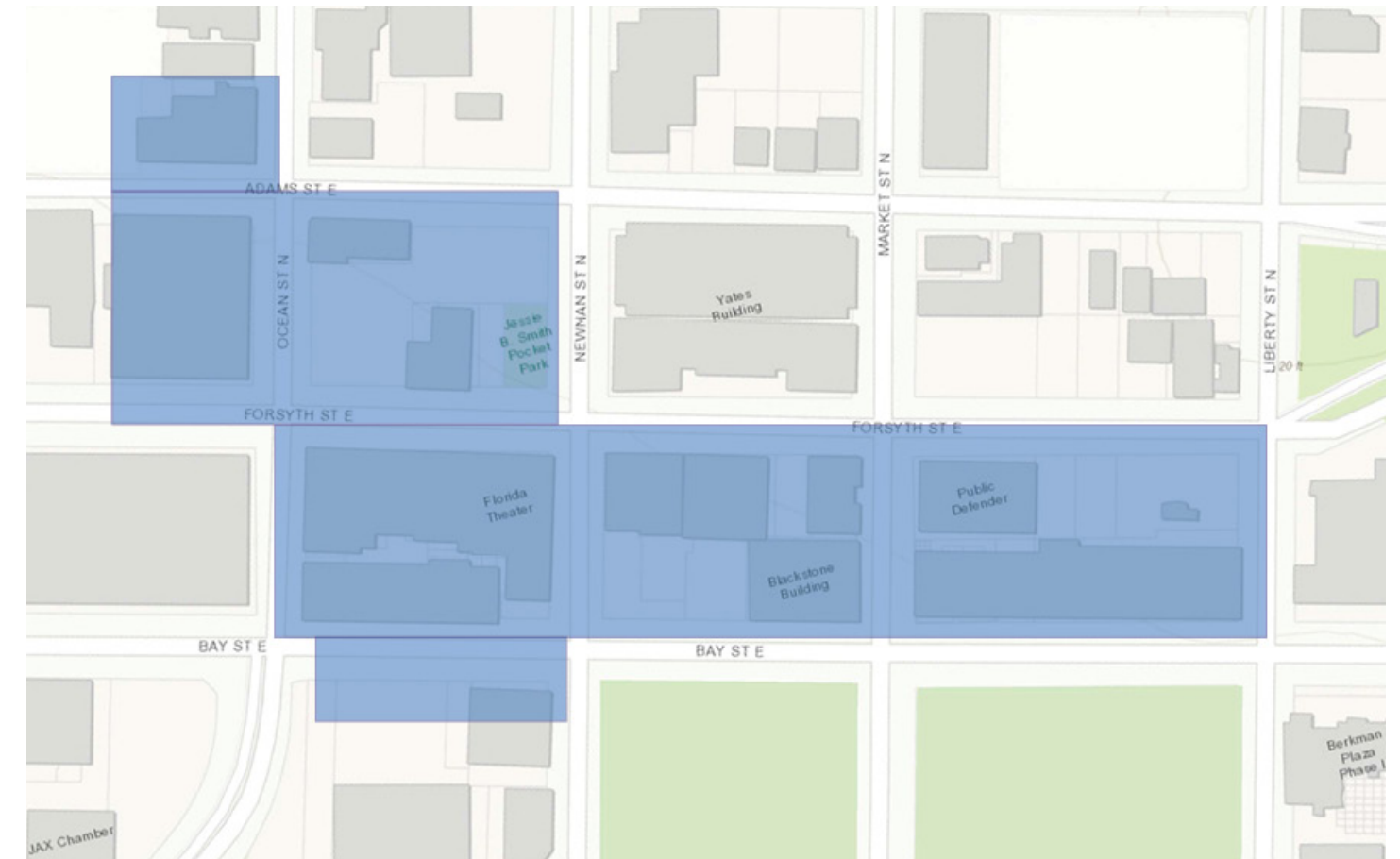
- Existing building stock within the area which can readily be used and/or converted for the targeted street front uses (first and certain second floors eligible);
- Proximity to public parking garages that are not utilized extensively at night, which provide an opportunity for ample parking for patrons at free or reduced rates as the market develops;
- Existing concentration of restaurants, bars, and entertainment venues;
- Existing sidewalk width or ROW convertible to expanded sidewalk;
- Streets designated within the adopted CRA plan for conversion to two-way creating a slower speed, providing greater visibility of street front establishments, and creating a more pedestrian friendly environment; and
- Impact on two City owned sites proposed for redevelopment- Former Courthouse/City Hall annex adjacent to the Elbow and Riverfront Plaza development parcel at the waterfront of Laura and Hogan.

b. **The Elbow:** The Downtown bar and entertainment area already branded as The Elbow, with a focus on the following street frontages, which are described and depicted in the map below:

- Street frontage facing Adams St. from the middle of the block traveling east from Main St. and terminating at the west side of Newnan St.
- Street frontage facing Forsyth St. from the middle of the block traveling east from Main Street on the north side, continuing east from Ocean St. and terminating at the west side of Liberty St., with only the south side of Forsyth St. traveling east from Newnan St. included.
- Street frontage facing Ocean St. traveling south to Forsyth St and terminating at the middle of the block between Bay St. and Independent Dr., with only the east side of Bay Street between Forsyth St. and Bay St. included.
- Street frontage facing Bay St. traveling east from Ocean St. and terminating at the west side of Liberty St., with only the north side of Bay St. traveling east from Newnan St. included.

*\*\*Frontage on Adams St., Forsyth St., and Bay St. is important as Main and Ocean will remain one-way and will be less walkable, however, connections that activate the frontage between districts could be considered.*

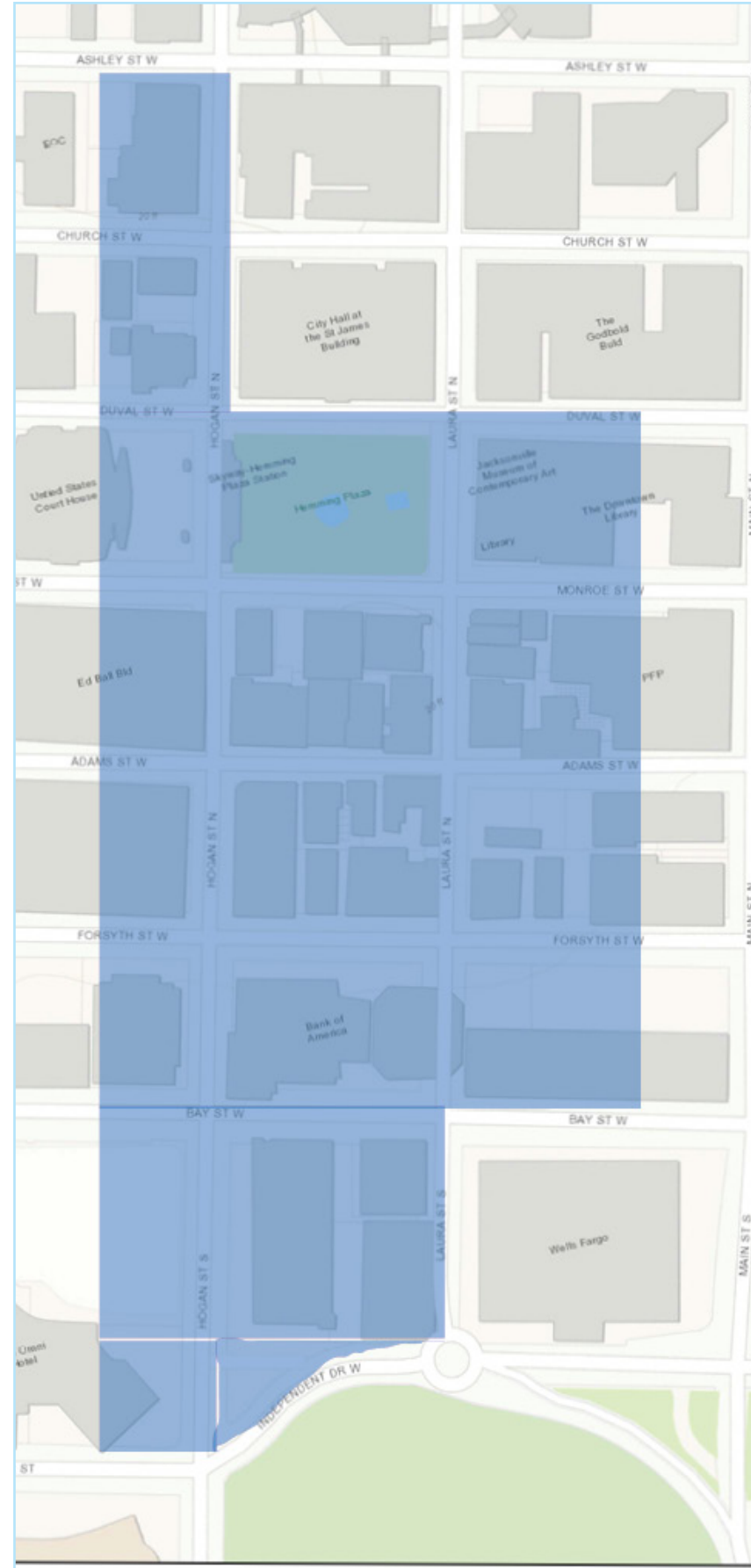
**The Elbow FAB-REP District**



c. Hogan x Laura Districts: Already home to several restaurants and bars, with a focus on the following street frontages, which are described and depicted in the map below:

- Street frontage facing Hogan St. beginning at Ashley St. on the west side of Hogan St., including both sides of the street at Duval St., and terminating at Water St.
- Street frontage facing Laura St. beginning at Duval St., continuing south on Laura St. until Bay St. on both sides of the street, and continuing on the west side of Laura St. and terminating at Independence Dr.
- Street frontage facing Monroe St., Adams St., and Forsyth St. beginning at the middle of the block between Julia St. and Hogan Street on both sides of the street, and terminating at the middle of the block between Laura St. and Main St.
- Street frontage facing Bay St. beginning at the middle of the block between Julia St. and Hogan Street on both sides of the street, and terminating at Laura St.
- Street frontage facing Bay St. beginning at Laura St. and continuing east on the north side of Bay St. and terminating at the middle of the block between Laura St. and Main St.
- Street frontage facing Water St., and Independence Dr. beginning at the middle of the block between Julia St. and Hogan St. continuing east on the north side of Water St., and Independence Dr. and terminating Laura St.

**Hogan x Laura FAB-REP District**



- d. Qualifying Establishments: The Type of establishment will determine the appropriate incentive level.
- Type 1: Generally, full service (i.e., wait staff, table bussers), full menu, full kitchen, non-disposable serve-ware. Must be open a minimum of five days per week for dinner until at least 9 p.m.
  - Type 2: Generally, limited service; order at the counter, self-clearing of tables, partial or full kitchen, buffet line, with on-site preparation and consumption of food. Must be open a minimum of five days per week for either breakfast (by 7:00 a.m.) or dinner/evening hours (until at least 9:00 p.m.).
  - Type 3: Generally, no kitchen or minimal kitchen, counter service only, limited menu or beverage only. Must be open a minimum of five days per week for either breakfast (by 7:00 a.m.) or dinner/evening hours (until at least 9:00 p.m.).
  - The below table provides various classifications of establishments and the most likely type from the descriptions above. The DIA has the discretion to determine the type of establishment if it is not listed here or it is not clearly defined.

Establishment	Type
Fine Dining Restaurant	1
Food Hall (Not less than 6 restaurant bays)	1
Contemporary Casual Restaurant	1 or 2
Casual/Family Style Restaurant	1 or 2
Fast Casual Restaurant	2
Multi-Vendor Food Hall	2
Coffee Shop	2
Entertainment Venue (music hall or movie theater)	2
Pastry Shop/Bakery	2
Craft Brewery Tap Room	2
Craft Distillery Tasting Room	2
Fast Food Restaurant	2 or 3
Cafe or Deli Restaurant	2 or 3
Pizza Parlor	2 or 3
Ice Cream Shop	3
Bar/Lounge	3

e. General Program Requirements:

- 1) Applicants:
  - a. Business Owner and the Property Owner would submit a joint application for a FAB-REP Grant, indicating both the Business Owner and Property Owner’s investments towards the eligible improvements.
    - i. The Business Owner and Property Owner must each contribute at least 25% of the cost of eligible improvements or provide a rent concession equal to such amount. Funding received through the Downtown Historic Preservation & Revitalization Trust Fund (“HPTF”), or the related portion paid by the Business Owner or the Property Owner, is not eligible for consideration towards the required contribution to the cost of eligible improvements under FAB-REP.
    - ii. Inclusion of the Business Owner in the Application Process creates alignment between incentive and performance as they are the principal beneficiary of the improvements in the immediate future.
    - iii. Inclusion of the Property Owner in the Application Process creates “buy-in” from the Property Owner as many of the eligible improvements will directly benefit him or her longer than the lease agreement with the Business Owner.

- b. The Business Owner and the Property Owner will execute the same FAB- REP Grant Agreement that will identify specific responsibilities for each.
  - i. The amount of grant funds secured by an agreement that will reflect the total FAB-REP Grant awarded by the DIA, compliance measures, and other terms irrespective of the Property Owner contribution.
  - ii. The DIA reserves the right to determine if a personal guarantee or other form of security is necessary for the note. The decision will be based on the creditworthiness of the Business Owner and/ or the Property Owner.
  - iii. If the Business Owner is also the Property Owner, the DIA may request security in the form of a subordinate mortgage or lien on the property.
  - iv. Property Owner will have a cure period of 180 days should the Business Owner abandon the lease during the compliance period of the Grant.

2) Grant Funding:

a. Improvement Incentive amounts

Funding under the FAB-REP program will be determined by the Type of establishment and limited to 50% of eligible costs, as outlined in Section X (d) and X (e) (2) (e), respectively.

Establishment Type	Price per Square Foot	Cap of Eligible Costs
Type 1:	\$65/Sq. Ft.	50% of eligible costs, not to exceed \$400,000
Type 2:	\$50/Sq. Ft.	50% of eligible costs, not to exceed \$200,000
Type 3:	\$40/Sq. Ft.	50% of eligible costs, not to exceed \$100,000

b. Historic Preservation/Adaptive Reuse Boost:

For properties designated as a local landmark (per the Jacksonville Historic Preservation Section of the Planning & Development Department), applicant can receive an additional \$20 per square foot boost to the grant award (still subject to cap). Any changes to the exterior of local landmarks will need to be approved by the Jacksonville Historic Preservation Section or Jacksonville Historic Preservation Commission.

Costs included in an application for funding, or previously approved for funding, through the Downtown Historic Preservation & Revitalization Trust Fund (“HPTF”) at any level may not be included for consideration in the FAB-REP or for purposes of the boost, whether covered by the HPTF grant or not. Such costs must be separately identifiable in the construction budget presented at the time of application.

For properties designated as a contributing structure to the Downtown Historic District (per the National Park Service) but not a local landmark, the applicant can, subject to DIA approval, receive an additional \$10 per square foot boost to their grant (still subject to cap). While DIA encourages preservation of the historic façade of contributing structures, it is an intent of the FAB-REP to promote ground floor activation. To that end, the replacement of storefront plate glass windows with window opening systems or similar modifications that promote greater street front visibility and access will not disqualify an applicant from receiving the boost.

c. Type of Funding:

- i. Zero-interest, Grant, payable upon completion of the work and receipt by DIA of invoices for goods and services rendered, and proof that recipients paid for such goods and services.
  - No interest shall accrue upon the principal of the total forgivable loan amount with principal forgiven over a five (5) year period.
  - Total principal balance will amortize 20% each year of the compliance period.
  - At end of five years, the forgivable loan shall be forgiven in its entirety on the condition the improvements are installed and maintained in reasonably good condition and no City Code violations are incurred during the compliance period.
  - If it is determined that recipient(s) is in default, interest and full repayment of the forgivable loan may be demanded.
  - DIA may help arrange bridge financing with community lenders, to facilitate funding requirements during the construction or build-out phase of the project. However, it is not the responsibility of DIA to arrange such financing arrangement.

d. Recipient Eligibility:

- i. **Hours of Operation:** Establishment must be open not less than 5 days per week which must include either breakfast or dinner/evening hours, and specifically including at least one of the following operating periods:
  - Breakfast: opening no later than 7:00 am
  - Dinner/Evening hours: staying open at least until 9:00 pm, including either Friday or Saturday evening
  - DIA will have the authority to modify the required hours of operation in the event market conditions require same.
- ii. Availability of funding for the specific type:
  - In an effort to create a competitive and diverse mix of establishments in the FAB-REP districts, the DIA will target FAB- REP Grants to a specific number of establishments types each year. Annually, grants will be awarded on a first come, first serve basis, subject to available funds, and allocated as follows:
    - Type 1: not more than 5 in total for the year
    - Type 2: not more than 4 in each district
    - Type 3: not more than 3 in each district
  - The DIA reserves the right to adjust this allocation at any time based on market conditions and grant demand. Further, the DIA will evaluate the applicant’s business plan, proximity to other establishments, the contribution made to the diversity in the retail mix of the area proposed, the product offering, and price points, in relation to the existing or approved establishments in the FAB- REP district.
- iii. First floor spaces with access from the street or customers visible from the street are eligible. Situations where the upper floor space is related to the operations on the first floor and adds to the street activation may be considered as supplemental space on a case-by-case basis.
- iv. Second floor only spaces may be eligible if open rooftop, balcony, or deck where service is visible from street level and access from street level is provided via stairs or elevator accessible from the sidewalk.

- v. Supplemental space including outdoor seating areas, meeting space, banquet halls, and similar areas should not be included in the calculation of eligible square feet. DIA may award an incentive for supplemental space at a reduced rate per square foot depending on the anticipated use and level of finish which must be separately identifiable in the construction budget presented at the time of application.
- vi. Applicant must provide a copy of a fully negotiated lease agreement with at least 5-year term operating during the entirety of the compliance period.
- vii. The scoring rubric found in the existing Retail Enhancement Program will be utilized in scoring applications.
- viii. In the event the recipient is unable to meet the above eligibility requirements, a Retail Enhancement Program Grant should be considered.

e. Eligible and Ineligible Improvements:

i. Eligible Improvements

To be considered eligible, the improvement must be directly related to the retail food or beverage establishment seeking the grant. Office, distribution, and costs associated with preparation or packaging of food or beverages to be consumed or distributed off-site are considered indirect improvements and not eligible for grant funds. Further, the use of FAB-REP grant funds may not be used for any portion of the cost of improvements submitted as part of an application or already approved for funding through an HPTF Grant. Such costs must be separately identifiable in the construction budget presented at the time of application.

The below list is not exhaustive but is illustrative of those improvements that otherwise would be considered eligible.

- Interior demolition and site preparation
- Code compliance, life safety and ADA
- Electrical, utility, and mechanical improvements (e.g., lighting, HVAC, elevator for establishment use only).
- Doors, windows, flooring, façade improvements (including awnings affixed to the building), and other interior and exterior improvements.
- Cooking, refrigeration, and ventilation systems, but not small appliances (e.g., microwave), fixtures, point-of-sale systems
- Other construction or improvements that would commonly be recognized as permanent or part of the interior or exterior of the tenant space
- 50% reimbursement of infrastructure costs clearly and demonstrably associated with preparation and packaging of food or beverages to be consumed or distributed off-site as a supplemental (not primary) use

ii. Ineligible Improvements

Generally, any non-permanent improvements or improvements that do not directly relate to food or beverage operation, or any improvement made without the necessary permits are not eligible for grant funds.

- Temporary or movable furniture such as tables, chairs
- China, tablecloths, silverware, etc.
- Small kitchen appliances (i.e., microwaves, toasters)

- Enhancements or improvements generally considered out of scale with the business plan included as part of the grant application. By way of example, an ice cream parlor would generally not require a wine cellar.
- Office equipment
- Moving expense
- Working capital
- Refinancing existing debts for prior improvements
- General periodic maintenance
- Soft costs (e.g., engineering and design, developer fees, etc.)
- New building construction or new building additions

XI. TARGETED RETAIL ACTIVATION - WATERFRONT RESTAURANT PROGRAM SPECIFIC REQUIREMENTS

In an effort to activate the Riverfront, celebrate the beauty of our National Heritage River, and capitalize on the City’s investment in the Riverwalk, signature riverfront parks, and public recreational docks, a Waterfront Restaurant Zone has been established within which three new incentives are available.

There are four program types of Waterfront restaurant incentive:

1. Existing Riverfront buildings
2. New Construction Riverfront Mixed Use Buildings
3. New Construction Riverfront Free-standing restaurants
4. Creekfront restaurants

In addition to the requirements above in Sections I-VII of this Retail Incentive Program, the following program specific requirements shall apply.

a. Waterfront Restaurant Zone

The Waterfront Restaurant Zone runs from the Fuller Warren Bridge to the eastern boundary of the Sports and Entertainment District on the Northbank and from the Fuller Warren Bridge to the Northeast Park at Rivers Edge on the Southside and along the banks of McCoy’s and Hogan’s Creeks within Downtown. The zone includes privately owned submerged lands where they exist, and the first parcel upland of the bulkhead/top of bank and/or Riverwalk and the property must be directly accessible from the Riverwalk or creek-side public trail. To qualify as within the zone, the waterfront restaurant must be located over water or upland with no intervening development between the restaurant and the Riverwalk or public Creekside trail. The restaurant must have a direct view of the water, direct access to the Riverwalk (in the case of the Southside a bridge to the Riverwalk may be required) or creek side public trail and outdoor service on the waterfront is highly desired.

b. Existing Riverfront Buildings

1. Qualifying Establishments

Only Type 1 restaurants with a minimum of 3,000 square feet of enclosed indoor space will qualify. Type 1 is generally, full service (i.e., wait staff, table bussers), full menu, full kitchen, non-disposable serve-ware. Must be open a minimum of five days per week for dinner until at least 9 p.m.

The below table provides various classifications of establishments and the most likely type from the descriptions above. The DIA has the discretion to determine the type of establishment if it is not listed here or it is not clearly defined.

Establishment	Type
Fine Dining Restaurant	1
Food Hall (Not less than 6 restaurant bays)	1
Contemporary Casual Restaurant	1 or 2
Casual/Family Style Restaurant	1 or 2

2. Grant Funding

Improvement Incentive Amounts

Funding under the Existing Riverfront Building program will be determined by the Type of establishment and limited to 50% of eligible costs, as outlined under the FAB- REP program in sections X (d) and X (e) (2) (e), respectively.

Establishment Type	Price per Square Foot	Cap of Eligible Costs
Type 1:	\$75/Sq. Ft./Ground Floor	50% of eligible costs, not to exceed \$500,000
Type 1:	\$65/Sq. Ft./Rooftop	50% of eligible costs, not to exceed \$400,000

Direct Boater Access Boost

For qualifying restaurants where a dock with public boater access exists on the parcel, or where the owner has provided the City with an appropriate upland interest and permission to seek a submerged lands lease and construct a public access dock in front of the property, applicant can receive an additional \$10 per square foot boost to the grant award (still subject to cap).

3. General Program Requirements

The General Program Requirements for FAB-REP are contained in Section X(e)(1) Applicants and X (e)(2) (c) Grant Funding-Type of Funding and X (e)(2)(e). Grant Funding-Eligible and Ineligible Improvements shall apply to this program.

4. Recipient Eligibility:

- Establishment must be open not less than 5 days per week which must include dinner/evening hours, staying open at least until 9:00 pm, including both Friday and Saturday evening
  - DIA will have the authority to modify the required hours of operation in the event market conditions require same.
- Ground floor spaces that meet the requirements of the Waterfront Restaurant zone are eligible. Situations where the upper floor space is related to the operations on the first floor and adds to the riverfront activation may be considered as supplemental space on a case-by-case basis.
- Upper floor only spaces may be eligible if open rooftop, entirely open balcony or deck where service is visible from Riverfront ground level and access from Riverwalk level is provided via stairs or elevator accessible from the Riverwalk.

- Supplemental space including outdoor seating areas, meeting space, banquet halls, and similar areas should not be included in the calculation of eligible square feet. DIA may award an incentive for supplemental space at a reduced rate per square foot depending on the anticipated use and level of finish which must be separately identifiable in the construction budget presented at the time of application.
- Applicant must provide a copy of a fully negotiated lease agreement with at least 3- year term operating during the entirety of the compliance period.
- The scoring rubric found in the existing Retail Enhancement Program will be utilized in scoring applications.

c. New Construction Riverfront Mixed-Use Buildings

1. Qualifying Establishments

Only Type 1 restaurants with a minimum of 3,000 square feet of enclosed indoor space will qualify. Type 1 is generally, full service (i.e. wait staff, table bussers), full menu, full kitchen, non-disposable serve-ware. Must be open a minimum of five days per week for dinner until at least 9 p.m.

The below table provides various classifications of establishments and the most likely type from the descriptions above. The DIA has the discretion to determine the type of establishment if it is not listed here or it is not clearly defined.

Establishment	Type
Fine Dining Restaurant	1
Food Hall (Not less than 6 restaurant bays)	1
Contemporary Casual Restaurant	1 or 2
Casual/Family Style Restaurant	1 or 2

2. Grant Funding

Improvement Incentive Amounts

Funding under the New Construction Riverfront Mixed-Use Building program will be determined by the Type of establishment and limited to 50% of eligible costs, as outlined under the FAB- REP program in sections X (d) and X (e) (2) (e), respectively.

Establishment Type	Price per Square Foot	Cap of Eligible Costs
Type 1:	\$100/Sq. Ft./Ground Floor	50% of eligible costs, not to exceed \$500,000
Type 1:	\$75/Sq. Ft./Rooftop	50% of eligible costs, not to exceed \$400,000

Direct Boater Access Boost

For qualifying restaurants where a dock with public boater access exists on the parcel, or where the owner has provided the City with an appropriate upland interest and permission to seek a submerged lands lease and construct a public access dock in front of the property, applicant can receive an additional \$10 per square foot boost to the grant award (still subject to cap).

3. Applicants

The applicant for New Construction Riverfront Mixed-use Buildings may be the owner of the property who is developing the new mixed-use building. A tenant operator need not be identified at the time of application and notwithstanding any other program requirements generally applicable to FAB-REP or Waterfront Restaurant Incentive programs the following provisions shall supersede and control:

- i. The grant shall be paid upon completion of the restaurant construction and delivery of a fully executed lease with a tenant operator of a qualifying Type 1 restaurant provided such lease requires completion of all remaining tenant improvements and opening for business within 120 days of execution. If the time for completion and opening is longer than 120 days, the grant shall be payable upon opening of the restaurant.
- ii. Restaurant construction cost shall not include the cost of associated parking, if any, nor real estate taxes.
- iii. The forgivable loan term shall be 5 years and shall be forgiven 20% per year so long as the restaurant space is occupied with a qualified Type 1 restaurant that operates for a minimum of 8 hours per day, 5 days per week, as described below, and remains in operation throughout the year except in the event of operator turnover.
- iv. In the event of operator turnover, a closure of not more than 60 days will be allowed without loss of loan forgiveness for that year. Any amount not forgiven by the fifth anniversary shall be due and payable on that fifth anniversary date.
- v. If restaurant is located in a mixed-use building for which any incentive is provided for the primary use (such as a multi-family REV grant), only construction costs beyond cold dark shell, which may include increased podium, venting, access, elevator, enlarged patio, grease trap, commercial grade systems, capital expenditures related to tenant improvements, and associated soft costs, will be used to determine total construction cost.

4. General Program Requirements

The General Program Requirements for FAB-REP contained in Section X (e)(2)(c) Grant Funding-Type of Funding and X (e)(2)(e) Grant Funding-Eligible and Ineligible Improvements shall apply to this program.

5. Eligibility

- i. Qualifying restaurants must be open not less than 5 days per week which must include dinner/evening hours: staying open at least until 9:00 pm, including both Friday and Saturday evening – DIA will have the authority to modify the required hours of operation in the event market conditions require same.
- ii. Ground floor spaces that meet the requirements of the Waterfront Restaurant zone are eligible. Situations where the upper floor space is related to the operations on the first floor and adds to the riverfront activation may be considered as supplemental space on a case-by-case basis.
- iii. Upper floor only spaces may be eligible if open rooftop, entirely open balcony or deck where service is visible from Riverfront ground level and access from Riverwalk level is provided via stairs or elevator accessible from the Riverwalk.
- iv. Supplemental space including outdoor seating areas, meeting space, banquet halls, and similar areas should not be included in the calculation of eligible square feet. DIA may award an incentive for supplemental space at a reduced rate per square foot depending on the anticipated use and level of finish which must be separately identifiable in the construction budget presented at the time of application.
- v. Applicant must provide a copy of a fully negotiated lease agreement with at least 3- year term operating during the entirety of the compliance period.

d. New Construction Riverfront Free-Standing Restaurant

1. Location

Only free-standing restaurants located on unique parcels not otherwise suitable for a denser use, restaurants constructed over submerged lands, and free-standing restaurants located on other upland sites within the Waterfront Restaurant Zone which in the discretion of DIA have been determined that a free-standing restaurant is the highest and best use of the parcel will be eligible.

2. Qualifying Establishments

The Type of establishment will determine the appropriate incentive level.

- i. Type 1: Generally, full service (i.e. wait staff, table bussers), full menu, full kitchen, non-disposable serve-ware. Must be open a minimum of five days per week for dinner until at least 9 p.m.
- ii. Type 2: Generally, limited service; order at the counter, self-clearing of tables, partial or full kitchen, buffet line, with on-site preparation and consumption of food. Must be open a minimum of five days per week for either breakfast (by 7:00 a.m.) or dinner/evening hours (until at least 9:00 p.m.).
- iii. Type 3: Generally, no kitchen or minimal kitchen, counter service only, limited menu or beverage only. Must be open a minimum of five days per week for either breakfast (by 7:00 a.m.) or dinner/evening hours (until at least 9:00 p.m.).
- iv. All Types must be open Friday and Saturday evening or Saturday and Sunday daytime.
- v. The below table provides various classifications of establishments and the most likely type from the descriptions above. The DIA has the discretion to determine the type of establishment if it is not listed here or it is not clearly defined.

The following table provides various classifications of establishments and the most likely type from the descriptions above. The DIA has the discretion to determine the type of establishment if it is not listed here or it is not clearly defined.

Establishment	Type
Fine Dining Restaurant	1
Food Hall (Not less than 6 restaurant bays)	1
Contemporary Casual Restaurant	1 or 2
Casual/Family Style Restaurant	1 or 2
Fast Casual Restaurant	2
Multi-Vendor Food Hall	2
Coffee Shop	2
Pastry Shop/Bakery	2
Craft Brewery Tap Room	2
Craft Distillery Tasting Room	2
Fast Food Restaurant	2 or 3
Cafe or Deli Restaurant	2 or 3
Pizza Parlor	2 or 3
Ice Cream Shop	3
Bar/Lounge	3

3. Grant Funding

Improvement Incentive Amounts

Funding under the New Construction Riverfront Free-standing Restaurant program will be determined by the Type of establishment and limited to 50% of eligible costs, as outlined under the FAB-REP program in Sections X (d) and X (e)(2)(e), respectively. Notwithstanding the foregoing, eligible costs of a free-standing building shall include all construction hard costs of that free-standing restaurant building.

Establishment Type	Price per Square Foot	Cap of Eligible Costs
Type 1:	\$100/Sq. Ft./Ground Floor	50% of eligible costs, not to exceed \$750,000
Type 1:	\$75/Sq. Ft./Rooftop	50% of eligible costs, not to exceed \$500,000
Type 2:	\$50/Sq. Ft./Ground Floor	50% of eligible costs, not to exceed \$250,000
Type 3:	\$40/Sq. Ft./Ground Floor	50% of eligible costs, not to exceed \$100,000
Type 3 bar/ lounge only:	\$50/Sq. Ft./Rooftop	50% of eligible costs, not to exceed \$350,000

Direct Boater Access Boost

For qualifying restaurants where a dock with public boater access exists on the parcel, or where the owner has provided the City with an appropriate upland interest and permission to seek a submerged lands lease and construct a public access dock in front of the property, applicant can receive an additional \$10 per square foot boost to the grant award (still subject to cap).

4. Applicants

The applicant for a New Construction Free-standing Restaurant may be the owner of the property who is developing the restaurant building. A tenant operator need not be identified at the time of application and notwithstanding any other program requirements generally applicable to FAB-REP or Waterfront Restaurant Incentive programs the following provisions shall supersede and control:

- i. The grant shall be paid upon completion of the restaurant construction and delivery of a fully executed lease with a tenant operator of a qualifying Type 1,2 or 3 restaurant provided such lease requires completion of all remaining tenant improvements and opening for business within 120 days of execution. If the time for completion and opening is longer than 120 days, the grant shall be payable upon opening of the restaurant.
- ii. Restaurant construction cost shall not include the cost of associated parking, if any, nor real estate taxes.
- iii. The forgivable loan term shall be 5 years and shall be forgiven 20% per year so long as the restaurant space is occupied with a qualified Type 1 restaurant that operates for a minimum of 8 hours per day, 5 days per week, as described below, and remains in operation throughout the year except in the event of operator turnover.
- iv. In the event of operator turnover, a closure of not more than 60 days will be allowed without loss of loan forgiveness for that year. Any amount not forgiven by the fifth anniversary shall be due and payable on that fifth anniversary date.

- v. A separate tax parcel must be created for the restaurant and total construction cost less the cost of parking and taxes will be used.

5. General Program Requirements

The General Program Requirements for FAB-REP contained in Section X (e)(2) (c) Grant Funding-Type of Funding and X (e)(2)(e). Grant Funding-Eligible and Ineligible Improvements shall apply to this program.

6. Eligibility

- i. Qualifying restaurants must be open not less than 5 days per week which must include dinner/evening hours: staying open at least until 9:00 pm, including both Friday and Saturday evening
    - DIA will have the authority to modify the required hours of operation in the event market conditions require same.
  - ii. Ground floor spaces that meet the requirements of the Waterfront Restaurant zone are eligible. Situations where the upper floor space is related to the operations on the first floor and adds to the riverfront activation may be considered as supplemental space on a case-by-case basis.
  - iii. Upper floor only spaces may be eligible if open rooftop, entirely open balcony or deck where service is visible from Riverfront ground level and access from Riverwalk level is provided via stairs or elevator accessible from the Riverwalk.
  - iv. Supplemental space including outdoor seating areas, meeting space, banquet halls, and similar areas should not be included in the calculation of eligible square feet. DIA may award an incentive for supplemental space at a reduced rate per square foot depending on the anticipated use and level of finish which must be separately identifiable in the construction budget presented at the time of application.
  - v. Applicant must provide a copy of a fully negotiated lease agreement with at least 3- year term operating during the entirety of the compliance period.
- e. New Construction Riverfront Free-Standing Restaurant
- 1. Creekfront Program  
Restaurants that meet the Waterfront Restaurant Zone criteria for a creekfront restaurant whether in an existing building, a new construction creekfront mixed use building, or a new construction creekfront free-standing restaurant building will be eligible for incentive consideration.
  - 2. Existing Creekfront Buildings  
Creekfront restaurants within existing buildings that meet the Creekfront Waterfront Zone criteria shall be eligible for the FAB-REP program as applied in the two designated FAB-REP districts and all applicable terms of Section X above shall apply except the limitation on location to the designated FAB-REP Districts.

3. New Construction Creekfront Mixed-Use Buildings

Restaurants within New Construction Creekfront Mixed-Use Buildings shall be eligible for incentives following the same guidelines as applicable to New Construction Riverfront Mixed-Use

Buildings except that the applicable grant amount will be established in accordance with the table below.

Funding under the New Construction Creekfront Mixed-Use Building program will be determined by the Type of establishment and limited to 50% of eligible costs, as outlined under the FAB-REP program in Sections X (d) and X (e)(2)(e), respectively. Only Type 1 establishments are eligible.

Establishment Type	Price per Square Foot	Cap of Eligible Costs
Type 1:	\$75/Sq. Ft./Ground Floor	50% of eligible costs, not to exceed \$500,000
Type 1:	\$50/Sq. Ft./Rooftop	50% of eligible costs, not to exceed \$300,000

4. New Construction Free-Standing Creekfront Restaurants

New Construction Creekfront Free-standing Restaurants shall be eligible for incentives following the same guidelines as applicable to New Construction Free-standing Riverfront Restaurants except that the applicable grant amount will be established in accordance with the table on the following page.

Funding under the New Construction Riverfront Free-standing Restaurant program will be determined by the Type of establishment and limited to 50% of eligible costs, as outlined under the FAB-REP program outlined under the FAB-REP program in Sections X (d) and X (e)(2)(e), respectively.. Notwithstanding the foregoing, eligible costs of a free-standing building shall include all construction hard costs of that free-standing restaurant building.

Establishment Type	Price per Square Foot	Cap of Eligible Costs
Type 1:	\$75/Sq. Ft./Ground Floor	50% of eligible costs, not to exceed \$750,000
Type 1:	\$50/Sq. Ft./Rooftop	50% of eligible costs, not to exceed \$500,000
Type 2:	\$50/Sq. Ft./Ground Floor	50% of eligible costs, not to exceed \$250,000
Type 3:	\$40/Sq. Ft./Ground Floor	50% of eligible costs, not to exceed \$100,000
Type 3 bar/lounge only:	\$50/Sq. Ft./Rooftop	50% of eligible costs, not to exceed \$250,000

XII. SIDEWALK ENHANCEMENT GRANT PROGRAM

In an effort to encourage more outdoor dining activity and place making, a Sidewalk Enhancement Grant may be awarded to the Business Owner that is party to the FAB-REP funding, subject to the following conditions and limitations:

- a. Eligibility Requirements
  - Properties must be located within FAB-REP District Boundaries.
  - Additional funds will be available to FAB-REP grant recipients, to reimburse up to 80% of eligible outdoor dining improvement costs, but not to exceed \$15,000. A separate budget must be provided. The funds can be used for the cost of creating outdoor spaces that enhance the sidewalk experience, such as tables, chairs, and other furniture, lighting, greenery, umbrellas, and awnings.
  - All Sidewalk Grant recipients must hold a valid Sidewalk Café permit to be eligible for the grant.
  - Application for the Sidewalk Enhancement Grant must include a plan to protect the improvements including all equipment and fixtures for the three-year compliance period, subject to approval by DIA staff.
  - DIA reserves the right to inspect the improvements during the compliance period. In the event operator fails to use the improvements as intended or fail to secure and maintain the improvements in good repair as agreed, including but not limited to loss of or irreparable damage (beyond normal wear and tear), the DIA may declare the recipient in default. The recipient will then have a period of thirty days to cure such default or DIA may withhold amortization of funds awarded under this Sidewalk Enhancement Grant.
  - As an alternative to the REP or FAB-REP, qualifying Business Owners already established or new qualifying Business Owners within the FAB-REP districts, may apply for a Stand-alone Sidewalk Enhancement Forgivable Loan to reimburse up to 80% of eligible outdoor dining improvement costs, but in an amount not to exceed \$5,000, without requiring participation by the Property Owner as a co-applicant. Further, administration of any Stand-alone Sidewalk Enhancement Forgivable Loan will be made as a recoverable grant with claw back provisions for a term of three years. Approval shall be based on applicant eligibility, DIA staff approval of the proposed improvements, evidence of a valid lease with a minimum of three years remaining, and documented approval of the improvements by the landlord.
  - Application Requirements and Project Evaluation Criteria of the REP shall not apply to applicants for a Stand-alone Sidewalk Enhancement Forgivable Loan. However, a separate application and budget must be provided, and other requirements as found under the Sidewalk Enhancement Forgivable Loan program, to the extent not contrary to this paragraph, shall apply to the Stand-alone Sidewalk Enhancement Forgivable Loan.
  - In either the Sidewalk Enhancement Grant or the Stand-alone Sidewalk Enhancement Grant, only the Business Owner (Tenant) shall be required to serve as obligor on the forgivable loan agreement, although the principals of the Business Owner may also be required to serve as guarantor for the forgivable loan agreement.

## 2. Commercial Revitalization Program (CRP)

The Commercial Revitalization Program provides grant funds to tenants for new (first-time leases of the subject space) leases involving existing office space in Downtown Jacksonville. For the purposes of the CRP:

- Existing office space shall mean space that has appeared on the tax rolls as a completed structure for no less than 5 years prior to seeking CRP funds. New construction and/or never occupied shell space shall not be eligible for CRP funds.
  - Storefront/ground-floor office must include a minimum of 1,000 square feet and shall not be located within the boundary of the Core Retail Enhancement Areas.
  - Upper-story/non-ground-floor office space in the subject building must include a minimum of 5,000 rentable square feet and be located in a building with at least 15% vacancy (vacancy shall mean space not producing rent) at time of application.
  - Any office space located within a building that has been below 40% occupancy (occupancy shall mean space producing rent) for a period of 24-consecutive months shall be ineligible for CRP funds. Notwithstanding the foregoing, upon an arm’s length change of ownership and material investment in capital improvements to the building by the new owner, the time frame for measurement of occupancy shall reset as of the change of ownership.
- Leases shall not include sublet and/or license agreements
- Expansion space shall be eligible as a new first-time lease of that space.
- Not available to businesses that relocate from one location in Downtown Jacksonville to nother.
- Any tenant seeking grant funds under this program must commit to maintaining an employment ratio of 2 employees (which may include owners/principals) per 1,000 square feet of leased space. Only employees that occupy the leased space for an average of 32 hours per week may be counted towards maintaining the required employment ratio.

For new leases of at least a 3-year term:

New leases for a term of at least 3-years are eligible for a parking offset grant award per 1,000 square foot of office space leased as indicated in the table below. The offset is calculated based on square footage leased, not the actual number of employees occupying the space. Nevertheless, proof of 2 on-site employees, meeting the minimum occupancy in office standard above, per 1,000 square feet leased will be required annually to qualify for grant payments. Additional employees working from the leased space will not change the grant amount. Grant awards are calculated at the time a new lease is executed based on the square feet leased and this program is capped at a 120 month maximum term and maximum leased area of 50,000

Lease Term (Months)	Parking Offset per Space *	Grant Award (Per Sq. Ft. Equivalent)
36-47	\$40.00/mo.	\$2.88
48-71	\$45.00/mo.	\$5.44
72-95	\$50.00/mo.	\$8.44
96-119	\$55.00/mo.	\$11.88
120 (maximum lease term considered)	\$60.00/mo.	\$14.40

\*Assuming 2 employees/parking spaces for every 1,000 square feet.

square feet or an equivalent of 100 employee parking spaces. Lease incentives for space greater than 50,000 square feet will be considered on an individual basis dependent on funds available. Grant awards shall be paid divided by the term of the lease and paid on an annual basis within three months following the lease anniversary date and submission and approval of the annual compliance certificate. Should a tenant fail to maintain compliance with the employment ratio requirement identified above, the DIA may withhold the grant award for any such year and/or discontinue base grant award.

Tenant must not have accessed CRP previously for any space, except that, if tenant expands into new space and continues to occupy space for which CRP was accessed, tenant can receive benefits on the additional expansion space which will be considered as new lease space.

An Application must be filed with the DIA before the new lease is signed.

As an added welcome bonus, the DIA will provide a \$100 gift card good at numerous downtown eateries for each employee (based on the expected ratio of 2 employees per 1,000 square feet leased).

Each recipient of a Commercial Revitalization Program (CRP Grant) must agree to promote Downtown activities and events organized by the City to its employees using electronic or static bulletin boards, newsletters, emails, and/or other standardized methods of internal communication.

*Example:*

A technology development firm signs a 60-month lease for a 50,000 SF existing office space in Downtown Jacksonville. It is assumed that they will maintain at least 100 employees on site generating a parking offset grant of \$45/mo. times 100 employee spaces times 5 years or \$270,000. The tenant would be eligible for total grant award of \$270,000 or the equivalent of \$5.40 /SF.

Tenants seeking an incentive for larger leased premises or longer lease times will be evaluated on a case-by-case basis and City Council approval of an incentive would be required.

## 3. Multi-Family Housing REV Grant

The program, first adopted in 2014, is designed to facilitate residential development within Downtown, to stimulate economic growth, and to fulfill the Downtown population goals established by the CRA by filling the economic gap that exists between achievable rents/NOI, capital requirements, and development costs. In the case of this program, the financial gap has been established on a neighborhood or district basis in context of development costs, capital requirements, and current and projected rent-growth in combination with fulfilling other economic development goals, thereby eliminating the need for a financial gap analysis of projects that comply with the criteria below.

Based on recent market feasibility and economic analysis, it has been determined that this REV grant shall not exceed 50% for riverfront properties located between Riverside Avenue and the St. Johns River in Brooklyn and for properties located between Riverplace Blvd./Prudential Drive (the first road parallel to the river) and the St. Johns River on the Southbank (“Limited Incentive Areas”) unless additional rooftop restaurants/bars or waterfront retail beyond that required is included as described below. Further limitations are found under “REV Grant Factors” under Section A below.

- The program provides for a recovery of a portion of the incremental increase in ad-valorem taxes, (“Annual Project Revenue”) on real and tangible personal property, which is produced as a result of the multifamily housing development.

- Unless further restricted otherwise in this program, the maximum grant will be limited to 75% of the City/ County portion of the incremental increase in ad valorem taxes.
- The maximum life of the REV grant will be 20 years from completion but in no event longer than the payment due in 2046 for the calendar year 2045 taxes payable in April 2046. (*Duration exceeds the life of the applicable CRA's*).
- The amount of the grant is determined by DIA based on the factors below, not based on applicant request or argued need.
- Program eligibility: To be eligible for the program the development must develop at least 16 new multi-family rental housing units in Downtown.
  - The DIA will confirm compliance with the eligibility requirements and additional commitments made by the Developer with quarterly reviews of rent rolls and annual audits and additional monitoring as needed
- Any DIA Multifamily Housing REV Grant application that contemplates demolition of a Historic Property (one having local landmark designation or identified as a contributing structure in the National Historic District or properties over 50 years old and determined to be historically and culturally relevant by the DIA Board in its sole discretion) shall lose a minimum of 10 percentage points from its REV calculation, and up to a maximum of 25 percentage points as further determined by the DIA Board in its sole discretion.

a. For Developments Adjacent to the St. Johns River or Riverwalk

The program provides for a recovery of a portion of the Annual Project Revenue, on real and tangible personal property, which is produced as a result of multi-family housing and related development within the DIA Boundary and immediately adjacent to the St. Johns River or Riverwalk.

- The amount of the grant is determined by,
  - The amount of retail/office/commercial space included in a mixed-use development; and,
  - Density of housing along the waterfront identified.
  - Design factors identified below.

Based on recent market feasibility and economic analysis, it has been determined that this REV grant shall not exceed 50% for riverfront (adjacent to the Riverwalk or bulkhead with unobstructed river view) properties located between Riverside Avenue and the St. Johns River in Brooklyn and for properties located between Riverplace Blvd./Prudential Drive (the first road parallel to the river) and the St. Johns River on the Southbank ("Limited Incentive Area") unless additional rooftop restaurants/bars or waterfront retail beyond that required is included as described below.

*Conditions to eligibility for any level of REV Grant:*

1. Developer must make a substantial commitment to assume responsibility for, or contribute to, an organization (including, but not limited to, the City through the Parks Partnership Program) to provide for the development, maintenance, or programming in the adjacent public space. Examples of acceptable commitments may be assuming responsibility for maintenance of the adjacent Riverwalk, or funding the same, for the life of the REV, donating a major piece of art to the park, or construction of a playground or sport court, etc. Commitments will be evaluated by DIA staff to determine materiality and consistency with the intent of this section. A one-time up-front commitment valued by DIA at not less than 3% of minimum total Private Capital Investment of the Developer used in calculation of the REV shall be deemed material however other values and payments over time may be considered material as described in the Structuring the Deal section of the BID.
2. In any mixed-use residential or multi-family housing development immediately adjacent to the St. Johns River or Riverwalk, ground level restaurant or bar space that actively engages the waterfront and/or Riverwalk shall be provided of not less than:

- a. 3,000 square feet or 10% of the leasable residential square footage, whichever is greater, capped at a requirement of 5,000 square feet; and
  - b. No less than 50% of the riverfront ground level building façade linear frontage; and
  - c. No less than 50 feet in depth off the riverfront façade of the building.
  - d. Higher level spaces above ground floor may be approved by the DIA Board in unique circumstances where the ground level of the building is not at the same grade as the Riverwalk, and ready access by pedestrians as provided.
3. In any mixed use residential or multi-family housing development immediately adjacent to the St. Johns River or Riverwalk, which development also has street frontage on the first street parallel to the river, (not including overpasses or ramps inaccessible by a driveway), no less than 30% of the ground level of the street frontage shall be retail directly accessible from the sidewalk, with an additional 20% of the frontage retail or activated space such as residential units with individual stoop entrances to the sidewalk, leasing offices, fitness centers, etc.
  4. The ground level of any structured parking garage associated with such project, facing any street or view and access corridor, must be wrapped except at points of entry and exit with one or more of the following:
    - a) residential units with individual stoop entrances to from the sidewalk, resident amenity space (fitness center, community room, resident lounge, etc.), or commercial space, accessible from the sidewalk, or b) urban open space.
  5. All levels of any structured parking garage associated with such project and facing or visible from the waterfront or Riverwalk must be wrapped with one or more of the following to screen the garage from the public space: residential units, resident amenity space or commercial space.
  6. Developer must provide at no charge to the City, a permanent easement for public access for the Riverwalk trail system as contemplated by the Downtown Zoning Overlay. In the case of areas adjacent to Riverwalk segments constructed over water, the Developer must provide permanent public access easements and bridges connecting the Riverwalk to the upland development considered for incentive.
  7. Developer must provide at no charge to the City, the public View and Access corridor easements or dedications for public use in accordance with the Downtown Zoning Overlay.
  8. Applicant must commit to the minimum private capital investment based on projected development costs as finalized in negotiation with the DIA.
    - a. Any deviation below the minimum will result in a pro rata reduction of the Maximum REV payable over the term.
    - b. Any reduction of 10% or greater will result in forfeiture of the REV.

REV Grant Factors: The precise REV Grant size will be determined by the following factors:

- 5% for every 50 units with a minimum average size of 500 square feet produced in Downtown Jacksonville adjacent to the St. Johns River or Riverwalk with a minimum density of 175 units/acre (maximum of 25%; however, properties within the Limited Incentive Area shall not be eligible for any points from the unit count); plus,
- Up to 15% for the development of City-owned lazy / underutilized assets (maximum amount only if purchased at appraised market value without other incentives); plus,
- 10% for each 2,500 square feet of ground level retail space or rooftop restaurant/bar accessible by the public directly from the river or Riverwalk and 5% for each 2,500 square feet of ground level office/commercial space made available for lease to an unrelated third party accessible by the public directly from the river or Riverwalk (maximum of 20%, exclusive of restaurant percentage awarded below); plus,

- 10% for each 1,500 square feet (beginning with 3,000 square feet in a single operation) of ground level waterfront, Riverwalk front, or park front restaurant(s) open weekends, and a minimum of six days per week, and two meal periods of each day of operations (maximum of 40%); plus,
- Up to 15% for enhanced design and quality including unique architectural features and materials in the subject residential building(s) or any visible portion of an associated structured parking garage, or both, beyond minimum compliance with DDRB standards (to qualify for this factor, conceptual plans including exterior materials, must have received DDRB approval) plus,
- Up to 15% total for the provision or utilization of shared use parking through one or more of the following:
  - 1% shall be available for each percent of new surface parking spaces or parking structure spaces at grade or on the ground floor that are dedicated to public use at all times (minimum 5 spaces to be eligible);
  - 5% shall be available for every 25 spaces made available on site for shared parking by off-site primary users;
  - 5% shall be available for every 25 spaces serving the residential development that are secured through off-site shared use arrangements; plus,
- 2% for every 10 units provided with enhanced accessibility above the minimum requirements of the ADA and Fair Housing Act (maximum of 10%); plus,
- 10% for each occupiable floor above seven (excluding any basement or rooftop amenity as a floor, maximum of 30%); plus
- 10% for projects located in the Central Core District; plus,
- Up to 10% for resiliency through one or more of the following:
  - Resilient Building Design – up to 5% for utilization of resilient building techniques, such as use of flood-proof materials on first floor/subsurface elements, elevation of critical assets (HVAC, generators, utility boxes, etc.) to above the first floor, and use of reflective materials on the roof to create a “cool roof”
  - Resilient Landscaping and Site Design – up to 5% for designing landscaping around residential building to address flooding and heat, including installation of catchment systems, bioswales or green infrastructure that can capture the first 1.5 inches of stormwater on-site or increasing tree canopy to twice the amount pre-construction

Properties located in the Limited Incentive Area may exceed the 50% limitation up to maximum of 75% by providing the following:

- 5% for each 10% of riverfront ground level building façade linear frontage (above the minimum 50% required) that is devoted to ground level retail or restaurant/bar space accessible by the public directly from the Riverwalk.
- 10% for a minimum 2,500 square foot rooftop restaurant/bar accessible by the public directly from the Riverwalk.
- 10% for each 8 boat slips made available for transient use by the public for any time period which the restaurant and any other public spaces are also open for business.

b. For Developments Adjacent to the Creek Front, or adjacent to a City owned public park.

The program provides for a recovery of a portion of the Annual Project Revenue, on real and tangible personal property, which is produced as a result of multi-family housing development within the DIA Boundary and immediately adjacent to McCoy’s Creek, Hogan’s Creek, (or the Emerald Trail adjacent to either creek) or a City owned public park.

- The amount of the grant is determined by,
  - The amount of retail/office/commercial space included in a mixed-use development; and,
  - Density of housing along the waterfronts or park front identified.
  - Design factors identified below.

*Conditions to eligibility for any level of REV Grant:*

1. Developer must make a substantial commitment to assume responsibility for, or contribute to, an organization (including, but not limited to, the City through the Parks Partnership Program) to provide for the development, maintenance, or programming in the adjacent public space. Examples of acceptable commitments may be assuming responsibility for maintenance of the adjacent Riverwalk, or funding the same, for the life of the REV, donating a major piece of art to the park, or construction of a playground or sport court, etc. Commitments will be evaluated by DIA staff to determine materiality and consistency with the intent of this section. A one-time up-front commitment valued by DIA at not less than 3% of minimum total Private Capital Investment of the Developer used in calculation of the REV shall be deemed material however other values relative to the size of the park and payments over time may be considered material as described in the Structuring the Deal section of the BID.
2. In any mixed-use residential or multi-family housing development immediately adjacent to the Emerald Trail fronting either McCoy’s Creek or Hogan’s Creek, or adjacent to a City owned public park, ground level activated space that actively engages the creek, trail, or park shall be provided of not less than 30% of the trail or park front ground level building façade linear frontage.
  - a. Activated uses will include, but are not limited to, retail, restaurant, or bar spaces that open directly to the creek, park, or trail; tenant amenity areas visible from the creek, park, or trail; and residential units with individual stoop entrances to the park, creek, or trail.
  - b. Higher level spaces above ground floor may be approved by the DIA Board in unique circumstances where the ground level of the building is not at the same grade as the trail or park front, and ready access by pedestrians is provided.
3. The ground level of any structured parking garage associated with such project facing the creek, park, or trail must be wrapped except at points of entry and exit with one or more of the following: a) stoop entrances to individual residential units, or b) resident amenity space (fitness center, community room, resident lounge, etc.), or commercial space, accessible from the street, or b) urban open space.
4. Developer must provide at no charge to the City, a permanent easement for public access for the Creekside trail system as contemplated by the Downtown Zoning Overlay.
5. Developer must provide at no charge to the City, the public View and Access corridor easements or dedications for public use in accordance with the Downtown Zoning Overlay.
6. Applicant must commit to a minimum private capital investment based on projected development costs as finalized in negotiation with the DIA.
  - a. Any deviation below the minimum will result in a pro rata reduction of the Maximum REV payable over the term
  - b. Any reduction of 10% or greater will result in forfeiture of the REV

REV Grant Factors: The precise REV Grant size will be determined by the following factors:

- 5% for every 50 units with a minimum average size of 500 square feet produced in Downtown Jacksonville adjacent to McCoy’s Creek, Hogan’s Creek, the Emerald Trail adjacent to either creek, or a City owned public park (maximum of 25%); plus
- Up to 15% for the development of City-owned lazy / underutilized assets (maximum amount only if purchased at appraised market value without other incentives); plus,

- 10% for each 2,500 square feet of ground level retail space (frontage must be equal to or greater than depth) or rooftop restaurant/bar accessible by the public directly from the street, park, trail, or creek (maximum 20%); plus,
- 5% for each 2,500 square feet of ground level office/commercial space made available for lease to an unrelated third party and accessible by the public directly from the street, park, trail, or creek (maximum of 10%, exclusive of restaurant percentage awarded below); plus
- 10% for each 1,500 square feet (beginning with 3,000 square feet in a single operation) of ground level creek front, trail front, or park front restaurant(s) open weekends, and a minimum of six days per week, and two meal periods of each day of operations (maximum of 40%); plus,
- Up to 10% for enhanced design and quality including unique architectural features and materials in the subject residential building(s) or any visible portion of an associated structured parking garage, or both, beyond minimum compliance with DDRB standards (to qualify for this factor, conceptual plans including exterior materials, must have received DDRB approval) plus,
- Up to 15% for the provision or utilization of shared use parking through one or more of the following:
  - 1% shall be available for each percent of new surface parking spaces or parking structure spaces at grade or on the ground floor that are dedicated to public use at all times.
  - 5% shall be available for every 25 spaces made available on site for shared parking by off-site primary users.
  - 5% shall be available for every 25 spaces serving the residential development that are secured through off-site shared use arrangements (maximum of 15%); plus
- 5% for every 10 units provided for enhanced accessibility above the minimum requirements of the ADA and Fair Housing Act (maximum of 10%); plus
- 10% for each occupiable floor above seven, where permissible, excluding any basement or rooftop amenity (maximum of 30%); plus
- 15% for a project of not less than 50 units with a minimum average size of 500 square feet located in Cathedral or LaVilla District; plus
- Up to 10% for resiliency through one or more of the following:
  - Resilient Building Design -- 5% for utilization of resilient building techniques, such as use of flood-proof materials on first floor/subsurface elements, elevation of critical assets (HVAC, generators, utility boxes, etc.) to above the first floor, and use of reflective materials on the roof to create a “cool roof”
  - Resilient Landscaping -- 5% for designing landscaping around residential building to address flooding and heat, including installation of catchment systems, bioswales or green infrastructure that can capture the first 1.5 inches of stormwater on-site or increasing tree canopy to twice the amount pre-construction

c. For Developments Not Adjacent to the River, Creek, or City Park

The program provides for a recovery of a portion of the Annual Project Revenue, on real and tangible personal property, which is produced as a result of multi-family housing development within the DIA Boundary and NOT immediately adjacent to the St. John’s River or Riverwalk, McCoy’s Creek, Hogan’s Creek (or the Emerald Trail adjacent to either creek), or a City owned public park.

- The amount of the grant is determined by the number of units developed, plus
  - The amount of retail/office/commercial space included in a mixed-use development; and,
  - Provision of housing in targeted districts.
  - Design factors identified below.

*Conditions to eligibility for any level of REV Grant:*

1. In any mixed use residential or multi-family housing development not immediately adjacent to the river, McCoy’s Creek, Hogan’s Creek, Emerald Trail, or a City owned public park, no less than 30% of the ground level of the building linear street frontage on each street shall be activated space such as residential units with individual stoop entrances to the sidewalk, retail, office use, leasing offices, fitness centers for tenants, etc.
2. Applicant must commit to a minimum private capital investment based on projected development costs as finalized in negotiation with the DIA.
  - a. Any deviation below the minimum will result in a pro rata reduction of the Maximum REV payable over the term
  - b. Any reduction of 10% or greater will result in forfeiture of the REV

REV Grant Factors: The precise REV Grant size will be determined by the following factors:

- 5% for every 10 units produced in Downtown Jacksonville with a minimum average size of 500 square feet (maximum of 25%); plus,
- Up to 15% for the development of City-owned lazy / underutilized assets (maximum amount only if purchased at appraised market value without other incentives); plus,
- 10% for each 2,500 square feet of ground level restaurant/bar, retail space, or balcony/rooftop restaurant/bar accessible by the public directly from the street (maximum 25%); plus
- 5% for each 2,500 square feet of ground level office/commercial space made available for lease to an unrelated third party and accessible by the public directly from the street (maximum of 15%); plus,
- 5% for each 10% of activated linear front footage above the 30% minimum required per street frontage (maximum of 20%); plus,
- Up to 10% for enhanced design and quality including unique architectural features and materials in the subject residential building(s) or any visible portion of an associated structured parking garage, or both, beyond minimum compliance with DDRB standards (to qualify for this factor, conceptual plans including exterior materials, must have received DDRB approval); plus,
- Up to 15% for the provision or utilization of shared use parking.
  - 1% shall be available for each percent of new surface parking spaces or parking structure spaces at grade or on the ground floor that are dedicated to public use at all times.
  - 5% shall be available for every 25 spaces made available on site for shared parking by off-site primary users.
  - 5% shall be available for every 25 spaces serving the residential development that are secured through off-site shared use arrangements (maximum of 15%); plus
- 5% for every 10 units provided in adherence to HUD maximum rent established and maintained at the 80% AMI level and/or enhanced accessibility above the minimum requirements of the ADA and Fair Housing Act (maximum of 10%); plus,
- 10% for each occupiable floor above seven (excluding any basement or rooftop amenity) when developing on the Southbank outside the Limited Incentive Area, the Central Core or Sports and Entertainment Districts (maximum of 30%); plus,
- 5% for every 25 units produced with a minimum average size of 500 square feet in Cathedral and LaVilla Districts, and Brooklyn District between Park Street and McCoy’s Creek (maximum of 20%); plus,
- 10% for a project of 16-24 units produced with a minimum average size of 500 square feet in Cathedral and LaVilla Districts, and Brooklyn District between Park Street and McCoy’s Creek; plus,

- 10% for a project of not less than 50 units located in Central Core District; plus,
- Up to 10% for resiliency through on or more of the following:
  - Resilient Building Design – Up to 5% for utilization of resilient building techniques, such as use of flood-proof materials on first floor/subsurface elements, elevation of critical assets (HVAC, generators, utility boxes, etc.) to above the first floor, and use of reflective materials on the roof to create a “cool roof”
  - Resilient Landscaping – Up to 5% for designing landscaping around residential building to address flooding and heat, including installation of catchment systems, bioswales or green infrastructure that can capture the first 1.5 inches of stormwater on-site or increasing tree canopy to twice the amount pre-construction

Grant Process:

1. Applicant to complete the Project Profile Assessment, any associated application, and provide additional project information as requested.
2. The DIA staff would take the application from the prospective grantee, and make a recommendation based upon the DIA Multifamily Housing REV Grant program criteria above;
3. The DIA Board would evaluate the staff recommendation and reject or adopt a resolution approving a grant amount and time frame to be documented by a Redevelopment Agreement agreed to by the Applicant and executed by the Applicant and DIA.
4. City Council approval is not required for REV grants which comply with this program and DIA action is final.
5. No Multifamily Housing REV grant utilizing CRA resources shall be authorized by the Board if it exceeds the term, amount determined pursuant to the criteria above, or otherwise fails to meet the program criteria described above.
6. Each recipient of a DIA Multifamily Housing REV Grant must agree to promote Downtown activities and events organized by the City to its residents using electronic or static bulletin boards, newsletters, emails, and/or other standardized methods of internal communication.

### 4. DIA Small Scale Multi-Family Housing Grant

This program is designed to encourage smaller multifamily residential development projects within Downtown to accelerate development activity, achieve the Downtown population goals established by the CRA and fill the economic gap that exists between achievable rents/NOI and development costs. In the case of this program, the gap has been pre-determined on a neighborhood or district basis and current and projected rent-growth, eliminating the need for a financial gap analysis of individual projects that comply with the criteria below. This program may not be used in combination with the Multi-Family Housing REV grant program or DPRP but may be used in combination with FAB-REP or Retail Enhancement for ground floor activation within the project, and in conjunction with the Façade Grant Program where available. However, under no circumstance is any cost or expense eligible for reimbursement under more than one program.

- The amount of the grant is determined by the number of units developed, plus
  - Provision of housing in targeted districts.
  - Design factors identified below.
- Program eligibility: To be eligible for the program the development must develop at least 4, but no more than 15, new multi-family rental or condominium housing units of at least 500 square feet each in Downtown Jacksonville.

- The DIA will confirm compliance with the eligibility requirements and additional commitments made by the Developer upon completion, and also through additional monitoring as needed.

Program Parameters: The Small-Scale MF Grant amount per unit shall not exceed \$15,000 payable upon completion of the project unless at least 20% of the units are 1,000 square feet or greater and configured for 2 or more bedrooms, in which case the maximum for the larger qualifying units will increase to \$18,000 per such unit. The actual grant award amount will be determined by the following factors:

- To qualify for the Grant, any on-site parking associated with such project must be situated behind the housing structure, unless otherwise approved by exception.
- \$12,000/unit for a project of not less than 4 units located in Cathedral or LaVilla District (units may be scattered site, so long as they are developed and placed into service simultaneously or as otherwise agreed by the DIA) plus,
- \$10,000/unit for a project of not less than 4 units located in the Central Core or Church District; or between Park Street and McCoy’s Creek in the Brooklyn District plus,
- \$8,000/unit for a project of not less than 4 units located in the Southside District between Prudential Drive and the southern district boundary plus,
- Up to \$2,000/unit for the development of City-owned lazy / underutilized assets (maximum amount only if purchased at appraised market value without other incentives); plus,
- \$1,000/unit for each 1,500 square feet of ground level retail/office/commercial space or balcony or rooftop restaurant/bar accessible by the public directly from the street provided by the project (not to exceed \$2,000/unit); plus,
- Up to \$2,000/unit for enhanced design and quality including unique architectural features and materials in the subject residential building(s) or any visible portion of an associated structured parking garage, or both, beyond minimum compliance with DDRB standards (to qualify for this factor, conceptual plans including exterior materials, must have received DDRB approval) plus,
- \$1,000/unit for every 2 units provided in adherence to HUD maximum rent established and maintained at the 80% AMI level for a period of not less than 10 years and/or above the minimum requirements of the ADA and Fair Housing Act (not to exceed 50% of total units and may require the recording of a Land Use Restrictive Agreement).

Conditions of Eligibility for the Small-Scale MF Grant:

- Developers or Investors must demonstrate the financial capacity and requisite experience of having successfully developed similar product types.
- All work must be completed by general contractors, subcontractors, or others with the relevant licensing and insurance for work being performed.
- All construction, landscaping, and parking as may be provided on the property must comply with provisions as found in the Jacksonville Ordinances, Subpart H. - Downtown Overlay Zone and Downtown District Regulations, which may require further approvals by the Downtown Development Review Board.
- For any properties adjacent to McCoy’s Creek or Hogan’s Creek, Developer must provide at no cost to the City, the requisite set-back and a permanent easement for public access for the trail system as contemplated by the Downtown Zoning Overlay.
- Property must not be tax exempt and must remain on tax rolls for 10 years following completion or triggers clawback.

Grant Process:

1. The DIA staff would take the application from the prospective grantee, and make a recommendation to the DIA Board based upon the Small-Scale Multi-Family Housing Grant Factors;

2. The DIA Board would evaluate the staff recommendation and reject or adopt a resolution approving a grant amount and Performance Schedule to be documented by a Redevelopment Agreement agreed to by the Applicant and executed by the Applicant and DIA.
3. Subject to the availability of lawfully appropriated program funding, City Council approval is not required for grants which comply with this program and DIA action is final.

## 5. Affordable Housing Support Loan

The Downtown Investment Authority (“DIA”) has a vested interest in facilitating housing development that meets the needs of workers in the Downtown area covering a wide range of income levels. The DIA includes “Improving the breadth and diversity of housing options across Downtown to provide all types and varied price ranges of rental and owner-occupied opportunities, including mixed-income and mixed-use structures” among its strategic objectives in meeting its goals.

A principal approach to fulfilling this strategic objective will be found in making available the Affordable Housing Support Loan. Such funding shall be used in conjunction with a Notice of Funding Availability (“NOFA”) issued by the Jacksonville Housing Finance Authority (“JHFA”) in further coordination with the Florida Housing Finance Corporation (“FHFC”) where the Local Government Areas of Opportunity Designation (“Designation”) is a structural consideration within the FHFC Request for Application (“RFA”).

In these situations, the FHFC issues a competitive RFA wherein the Local Government Areas of Opportunity Designation benefits the score of an applicant, but only one such Designation may typically be submitted from any County or local jurisdiction designated as eligible under the RFA. The competition for the Designation within Duval County is managed and awarded by the JHFA which issues a NOFA to open the opportunity for Designation to applicants under a competitive process with a single recipient of the Designation chosen by the JHFA Board. Submissions under the NOFA may include applications from affordable housing developers proposing developments meeting the FHFC criteria anywhere within Duval County.

The strategic objective of the DIA related to the creation of housing at varied price levels is served by offering the Affordable Housing Support Loan which may then be helpful in a developer’s application to the JHFA in its NOFA that will determine the assignment of the Designation as prescribed in the FHFC RFA. However, application and approval of an Affordable Housing Support Loan by the DIA is not competitive, and more than one recipient may be granted such approval in any given year subject to the eligibility guidelines identified below.

### Program Structure

The unique nature of the Affordable Housing Support Loan program will follow the structural outline presented below:

1. Multiple eligible applicants may apply for and receive approval for funding in a given year under the Affordable Housing Support Loan program; however, further selection for Designation by the JHFA under its NOFA, and approval by the FHFC under its RFA shall be a condition for closing on any approval made by the DIA Board.
2. Should the FHFC RFA and the JHFA NOFA allow for more than one Designation in any year and approvals under the Affordable Housing Support Loan program are given to two or more applicants, subject to available funding, the DIA funding commitment will be provided to applicants in the order of their scores as determined by the JHFC Board.
3. Funding under the Affordable Housing Support Loan shall be made from the Downtown Economic Development Fund Loans balance or the applicable CRA.

4. The principal amount of, repayment requirements, maturity, interest rate, collateral interests, and other terms of the Affordable Housing Support Loan shall materially mirror the requirements of the FHFC RFA. Once an Affordable Housing Support Loan is approved for a development, it may not be replaced by funding under any other DIA program. Eligibility under this program may be rescinded in any year where the DIA does not approve of the terms and structure as outlined in the FHFC RFA.
5. Any approval under this program will automatically terminate if the Developer is not selected for Designation by the JHFA in the year in which the approval was granted.
6. The minimum ROI for funding under the Affordable Housing Support Loan program shall be 0.50X as calculated over a 20-year timeline.
7. Loans approved under the Affordable Housing Support Loan program will not be forgivable.

### Eligibility Guidelines

In order to be eligible for any Affordable Housing Support Loan, the following minimum requirements must be met:

1. The Developer/Applicant shall meet the minimum eligibility criteria as set forth in the JHFA NOFA and the FHFC RFA.
2. The Developer/Applicant must also make application to the JHFA under its NOFA that will determine the Local Government Areas of Opportunity Designation as further defined by the FHFC in a given year. If the name of the Designation as defined by FHFC shall change in any year, this program shall then adopt the new name for such Designation that provides bonus points in the scoring rubric.
3. Only applications made for an affordable housing, or mixed-income housing development to be constructed on non-riverfront or non-creek front properties within the Northbank or Southside CRA boundaries of the DIA will be considered.
4. Development applications that remove the subject property from the property tax rolls shall not be eligible for funding.
5. All development work and design features must comply with all applicable city codes, ordinances, the established Downtown Development Review Board Guidelines and the Downtown Zoning Overlay without waiver.
6. Each recipient of a Affordable Housing Support Loan must agree to promote Downtown activities and events organized by the City to its residents using electronic or static bulletin boards, newsletters, emails, and/or other standardized methods of internal communication.

## 6. Targeted Hotel REV Grant

Based on standard industry metrics (ADR – Average Daily rate, REVPAR, Revenue Per Available Room, and Occupancy) the DIA has been advised by industry consultants and through studies that the current supply of limited service, select service and extended stay hotel rooms, together with our large convention and meeting hotels within Downtown Jacksonville, exceeds the current demand from business and leisure travelers and as such occupancy and ADR are both below target for a healthy hotel sector. However, adding new room capacity in unique product types (such as boutiques hotels which do not currently exist within Downtown) does not directly compete with current supply and can also serve to increase visitation and encourage longer stays, which ultimately add to the culture and vibrancy of the area and leads to an increase in ADR. Further, the City will benefit from this activity through increased ad valorem taxes, local option sales tax, and 6% bed tax dollars.

As entertainment options and amenities with public interest are increasing in the downtown area, an opportunity exists to diversify the breadth of hospitality offerings within Downtown Jacksonville to include boutique hotels and properties with higher design and service levels and amenities that will contribute to the economic growth and vitality of the area. The DIA Targeted Hotel REV Grant is implemented to facilitate the

addition of hotel properties that fit these criteria and will improve the current mix in downtown Jacksonville with the intention of strategically increasing visitation and the overall market demand for hospitality services.

Similar to the DIA Multifamily Housing REV Grant, the DIA Targeted Hotel REV Grant will fill the economic gap that exists between achievable rents/NOI, capital requirements, and development costs.

- The program provides for a recovery of a portion of the incremental increase in ad-valorem taxes, (“Annual Project Revenue”) on real and tangible personal property, which is produced as a result of the hotel property development.
- Unless further restricted otherwise in this program, the maximum grant will be limited to 75% of the City/ County portion of the incremental increase in ad valorem taxes.
- The maximum life of the REV grant will be 20 years from completion but in no event longer than the payment due in 2046 for the calendar year 2045 taxes payable in April 2046. (this duration exceeds the life of the applicable CRA’s).
- The amount of the grant is determined by DIA based on the factors below, not based on applicant request or argued need.
- Recipients of the Targeted Hotel REV Grant must maintain boutique status for the term of the REV grant.
- Overall Program eligibility:
  - To be eligible for the program the project must develop at least 25 new hospitality units/keys in Downtown Jacksonville, and not more than 150 keys/units.
  - Limited Service, Select Service, Extended Stay and Convention Hotels do not qualify
  - The property must be rated 4 star or above
  - The property must contain a full-service restaurant open to the public serving three meal periods/day a minimum 6 days/week
  - A boutique hotel has a distinct character, intentional design and decor, and personalized service. Each boutique hotel has a unique theme; some are historic, some are culinary-focused, and some focus on specific elements like a book, a color, or a famous figure. The theme is present not only in the hotel’s aesthetic, but perhaps also in its name, staff uniforms, amenities, and more.
  - A hallmark of a boutique hotel is style. Each element of the hotel’s look is carefully chosen, and some even showcase art or souvenirs that the owner personally handpicked. Boutique hotels carefully curate everything and interior and exterior design is coordinated, unique and high-end.
  - Due to a boutique hotel’s intimate size, its staff can focus on delivering extraordinary guest service.
  - The DIA will confirm compliance with the eligibility requirements and additional commitments made by the Developer through annual reports and additional monitoring as needed.
- No DIA Targeted Hotel REV Grant application will be accepted for any hotel project that contemplates demolition of a Historic Property (one having local landmark designation or identified as a contributing structure in the National Historic District or properties over 50 years old and determined to be historically and culturally relevant by the DIA Board in its sole discretion).

**A. For Hospitality Development Adjacent to the St. Johns River or Riverwalk**

The program provides for a recovery of a portion of the Annual Project Revenue, on real and tangible personal property, which is produced as a result of a hospitality property and related development within the DIA Boundary and immediately adjacent to the St. Johns River or Riverwalk.

- The amount of the grant will not exceed demonstrated financial gap AND is determined by,

- The amount of retail/food and beverage space included in a mixed-use development; and,
- Amenities for guests which may also be open to the public; and
- Design factors identified below.

*Conditions of Eligibility for any level of REV Grant:*

1. Developer must make a substantial commitment to assume responsibility for, or contribute to, an organization (including, but not limited to, the City through the Parks Partnership Program) to provide for the development, maintenance, or programming in the adjacent public space. Examples of acceptable commitments may be assuming responsibility for maintenance of the adjacent Riverwalk, or funding the same, for the life of the REV, donating a major piece of art to the park, or construction of a playground or sport court, etc. Commitments will be evaluated by DIA staff to determine materiality and consistency with the intent of this section. A one-time up- front commitment valued by DIA at not less than 3% of minimum total Private Capital Investment of the Developer used in calculation of the REV shall be deemed material however other values and payments over time may be considered material as described in the Structuring the Deal section of the BID.
2. In any hotel development immediately adjacent to the St. Johns River or Riverwalk, ground level restaurant and/or bar space that actively engages the waterfront and/or Riverwalk shall be provided of not less than:
  - a. No less than 70% of the riverfront ground level façade linear frontage; and
  - b. No less than 50 feet in depth off the riverfront façade of the building
  - c. Higher level spaces above ground floor may be approved by the DIA Board in unique circumstances where the ground level of the building is not at the same grade as the Riverwalk.
3. The ground level of any structured parking garage associated with such project facing the street must be wrapped with a) hotel units, b) amenity space, or c) retail/food and beverage space accessible from the street, except at points of entry and exit.
4. All levels of any structured parking garage associated with such project and facing or visible from the waterfront or Riverwalk must be wrapped with a) hotel units, or b) retail/food and beverage space, or c) amenity space to screen the garage from the public space.
5. Developer must provide at no charge to the City, a permanent easement for public access for the Riverwalk trail system as contemplated by the Downtown Zoning Overlay. In the case of areas adjacent to Riverwalk segments constructed over water, the Developer must provide permanent public access easements and bridges connecting the Riverwalk to the upland development considered for incentive.
6. Developer must provide at no charge to the City, the public View and Access corridor easements or dedications for public use in accordance with the Downtown Zoning Overlay.
7. Applicant must commit to the minimum private capital investment based on projected development costs as finalized in negotiation with the DIA.
  - a. Any deviation below the minimum will result in a pro rata reduction of the Maximum REV payable over the term.
  - b. Any reduction of 10% or greater will result in forfeiture of the REV.

*REV Grant Factors: The precise REV Grant size will be determined by the following factors.*

- Up to 15% for the development of City-owned lazy / underutilized assets (maximum amount only if purchased at appraised market value without other incentives); plus,
- 10% for each 1,500 square feet (beginning with 2500 square feet in a single operation) of ground level waterfront, or Riverwalk front, restaurant(s) open weekends, and a minimum of six days per week, and three meal periods of each day of operations (maximum of 30%); plus,

- 10% for each 2,500 square feet of ground level retail space and 5% for each 2,500 square feet of ground level retail food and beverage space made available for lease to an unrelated third party accessible by the public directly from the river or Riverwalk (maximum of 20%, exclusive of restaurant percentage awarded below); plus,
- Up to 15% for the inclusion of additional amenities open to the public such as one or more bar or lounge spaces, additional restaurant offerings, spa, meeting rooms, or the like; plus
- 5% for each 10% of riverfront ground level building façade linear frontage (above the minimum 70% required) that is devoted to ground level retail or food / beverage space accessible by the public directly from the Riverwalk (maximum of 15%)
- 15% for a minimum 2,500 square foot rooftop food and beverage accessible by the public directly from the Riverwalk
- Up to 25% for enhanced design and quality including unique architectural features and materials in the subject hotel building(s) or any visible portion of an associated structured parking garage, or both, beyond minimum compliance with DDRB standards (to qualify for this factor, conceptual plans including exterior materials, must have received DDRB approval and the interior plans presented must reflect a level of finish and uniqueness required to qualify as a boutique hotel) plus,
- Up to 10% total for the provision or utilization of shared use parking through one or more of the following:
  - 5% shall be available for every 25 spaces made available on site for shared parking by off-site primary users;
  - 5% shall be available for every 25 spaces serving the hotel that are secured through off-site shared use arrangements; (maximum 10%) plus,
- 10% for each occupiable floor above seven (excluding any basement or rooftop, maximum of 30%); plus
- Up to 10% for resiliency through one or more of the following:
  - Resilient Building Design – up to 5% for utilization of resilient building techniques, such as use of flood-proof materials on first floor/subsurface elements, elevation of critical assets (HVAC, generators, utility boxes, etc.) to above the first floor, and use of reflective materials on the roof to create a “cool roof”
  - Resilient Landscaping and Site Design – up to 5% for designing landscaping around the hotel building to address flooding and heat, including installation of catchment systems, bioswales or green infrastructure that can capture the first 1.5 inches of stormwater on-site or increasing tree canopy to twice the amount pre-construction

**B. For Developments Adjacent to the Creek Font, or adjacent to a City owned public park**

The program provides for a recovery of a portion of the Annual Project Revenue, on real and tangible personal property, which is produced as a result of hotel development within the DIA Boundary and immediately adjacent to McCoy’s Creek, Hogan’s Creek, (or the Emerald Trail adjacent to either creek) or a City owned public park.

- The amount of the grant is determined by,
  - The amount of retail/food and beverage space included in a mixed-use development; and,
  - Amenities for guests which may also be open to the public; and
  - Design factors identified below.

*Conditions of Eligibility for any level of REV Grant:*

1. Developer must make a substantial commitment to assume responsibility for, or contribute to, an organization (including, but not limited to, the City through the Parks Partnership Program) to provide for the development, maintenance, or programming in the adjacent public space. Examples of acceptable commitments may be assuming responsibility for maintenance of the adjacent Riverwalk, or funding the

same, for the life of the REV, donating a major piece of art to the park, or construction of a playground or sport court, etc. Commitments will be evaluated by DIA staff to determine materiality and consistency with the intent of this section. A one-time up- front commitment valued by DIA at not less than 3% of minimum total Private Capital Investment of the Developer used in calculation of the REV shall be deemed material, however other values relative to the size of the park and payments over time may be considered material as described in the Structuring the Deal section of the BID.

2. In any hotel development immediately adjacent to McCoy’s or Hogan’s Creek or the Emerald trail adjacent to such creek, or immediately adjacent to a public park, ground level restaurant and/or bar space that actively engages the waterfront and/or park shall be provided of not less than:
  - a. No less than 30% of the creek front or park front ground level façade linear frontage; and
  - b. No less than 50 feet in depth off the creek front or park front façade of the building
  - c. Higher level spaces above ground floor may be approved by the DIA Board in unique circumstances where the ground level of the building is not at the same grade as the creek or park.
4. The ground level of any structured parking garage associated with such project facing the street must be wrapped with a) hotel units, b) amenity space, or c) retail/food and beverage space accessible from the street, except at points of entry and exit.
5. All levels of any structured parking garage associated with such project and facing or visible from the waterfront or park must be wrapped with a) hotel units, b) amenity space, or c) retail/food and beverage space to screen the garage from the public space.
6. Developer must provide at no charge to the City, a permanent easement for public access for the Creekside trail system as contemplated by the Downtown Zoning Overlay.
7. Developer must provide at no charge to the City, the public View and Access corridor easements or dedications for public use in accordance with the Downtown Zoning Overlay.
8. Applicant must commit to a minimum private capital investment based on projected development costs as finalized in negotiation with the DIA.
  - a. Any deviation below the minimum will result in a pro rata reduction of the Maximum REV payable over the term
  - b. Any reduction of 10% or greater will result in forfeiture of the REV

REV Grant Factors: *The precise REV Grant size will be determined by the following factors.*

- Up to 15% for the development of City-owned lazy / underutilized assets (maximum amount only if purchased at appraised market value without other incentives); plus,
- 10% for each 2,500 square feet of ground level retail space (frontage must be equal to or greater than depth) or rooftop restaurant/bar accessible by the public directly from the street, park, or creek (maximum 20%); plus
- 5% for each 2,500 square feet of ground level food and beverage space made available for lease to an unrelated third party and accessible by the public directly from the street, park, or creek (maximum of 10%, exclusive of restaurant percentage awarded below); plus,
- 10% for each 1,500 square feet (beginning with 2,500 square feet in a single operation) of ground level creek front or park front restaurant(s) open weekends, and a minimum of six days per week, and three meal periods of each day of operations (maximum of 30%); plus,
- Up to 15% for the inclusion of additional amenities open to the public such as one or more bar or lounge spaces, additional restaurant offerings, spa, meeting rooms, or the like; plus
- Up to 20% for enhanced design and quality including unique architectural features and materials in the subject hotel building(s) or any visible portion of an associated structured parking garage, or both, beyond minimum compliance with DDRB standards (to qualify for this factor, conceptual plans including exterior materials, must have received DDRB approval and the interior plans presented must reflect a level of finish and uniqueness required to qualify as a boutique hotel) plus,

- Up to 10% total for the provision or utilization of shared use parking through one or more of the following:
  - 5% shall be available for every 25 spaces made available on site for shared parking by off-site primary users.
  - 5% shall be available for every 25 spaces serving the hotel development that are secured through off-site shared use arrangements (maximum of 10%); plus
- 10% for each occupiable floor above seven (excluding any basement or rooftop space, maximum of 30%); plus,
- Up to 10% for resiliency through one or more of the following:
  - Resilient Building Design – up to 5% for utilization of resilient building techniques, such as use of flood-proof materials on first floor/subsurface elements, elevation of critical assets (HVAC, generators, utility boxes, etc.) to above the first floor, and use of reflective materials on the roof to create a “cool roof”
  - Resilient Landscaping and Site Design – up to 5% for designing landscaping around the hotel building to address flooding and heat, including installation of catchment systems, bioswales or green infrastructure that can capture the first 1.5 inches of stormwater on-site or increasing tree canopy to twice the amount pre-construction

**C. For Developments Not Adjacent to the River Creek, or City Park**

The program provides for a recovery of a portion of the Annual Project Revenue, on real and tangible personal property, which is produced as a result of hospitality property and related development within the DIA Boundary and NOT immediately adjacent to the St. John’s River or Riverwalk, McCoy’s Creek, Hogan’s Creek (or the Emerald Trail adjacent to either creek), or a City owned public park.

- The amount of the grant is determined by,
  - The amount of retail/food and beverage space included in a mixed-use development; and,
  - Amenities for guests which may also be open to the public; and
  - Design factors identified below.

Conditions of Eligibility for any level of REV Grant:

1. In any mixed-use hotel property development not immediately adjacent to the river, McCoy’s Creek, Hogan’s Creek, or a City owned public park, no less than 30% of the ground level of the linear street frontage shall be retail/food and beverage space.
2. The ground level of any structured parking garage associated with such project facing the street must be wrapped with a) hotel units, b) amenity space, or c) retail/food and beverage space accessible from the street, except at points of entry and exit.
3. Applicant must commit to a minimum private capital investment based on projected development costs as finalized in negotiation with the DIA.
  - Any deviation below the minimum will result in a pro rata reduction of the Maximum REV payable over the term
  - Any reduction of 10% or greater will result in forfeiture of the REV

REV Grant Factors: The precise REV Grant size will be determined by the following factors.

- Up to 15% for the development of City-owned lazy / underutilized assets (maximum amount only if purchased at appraised market value without other incentives); plus,
- 10% for each 2,500 square feet of ground level retail space (frontage must be equal to or greater than depth), or balcony/rooftop food and beverage, each accessible by the public directly from the street (maximum 20%); plus

- 10% for each 1,500 square feet (beginning with 2500 square feet in a single operation) of ground level restaurant open to the public, directly accessible from the street, whose façade length is greater than its depth and is open weekends, and a minimum of six days per week, and three meal periods of each day of operations (maximum of 30%); plus,
- 5% for each 2,500 square feet of ground level retail/food and beverage space made available for lease to an unrelated third party and accessible by the public directly from the street (maximum of 10%); plus,
- Up to 20% for enhanced design and quality including unique architectural features and materials in the subject hotel building(s) or any visible portion of an associated structured parking garage, or both, beyond minimum compliance with DDRB standards (to qualify for this factor, conceptual plans including exterior materials, must have received DDRB approval and the interior plans presented must reflect a level of finish and uniqueness required to qualify as a boutique hotel) plus,
- Up to 15% for the inclusion of additional amenities open to the public such as one or more bar or lounge spaces, additional restaurant offerings, spa, meeting rooms, or the like; plus
- Up to 10% total for the provision or utilization of shared use parking.
  - 5% shall be available for every 25 spaces made available on site for shared parking by off-site primary users.
  - 5% shall be available for every 25 spaces serving the hotel development that are secured through off-site shared use arrangements (maximum of 10%); plus
- 10% for each occupiable floor above seven (excluding any basement or rooftop space, maximum of 30%); plus,
- Up to 10% for resiliency through one or more of the following:
  - Resilient Building Design – up to 5% for utilization of resilient building techniques, such as use of flood-proof materials on first floor/subsurface elements, elevation of critical assets (HVAC, generators, utility boxes, etc.) to above the first floor, and use of reflective materials on the roof to create a “cool roof”
  - Resilient Landscaping and Site Design – up to 5% for designing landscaping around the hotel building to address flooding and heat, including installation of catchment systems, bioswales or green infrastructure that can capture the first 1.5 inches of stormwater on-site or increasing tree canopy to twice the amount pre-construction

Grant Process:

1. The DIA staff would take the application from the prospective grantee, and make a recommendation based upon the DIA Targeted Hotel REV Grant program criteria above;
2. The DIA Board would evaluate the staff recommendation and reject or adopt a resolution approving a grant amount and time frame to be documented by a Redevelopment Agreement agreed to by the Applicant and executed by the Applicant and DIA.
3. City Council approval is not required for REV grants which comply with this program and DIA action is final.
4. No DIA Targeted Hotel REV Grant utilizing CRA resources shall be authorized by the Board if it exceeds the term, amount determined pursuant to the criteria above, or otherwise fails to meet the program criteria described above.

**7. DIA Mobility Fee Credit**

The Downtown Investment Authority (“DIA”) and the City of Jacksonville entered into a Mobility Fee Credit Contract in an amount of \$32,834,388.39. Pursuant to that agreement and Chapter 55, Part 1, Section 55.018(a)(10) of the Jacksonville Code of Ordinances, the DIA is authorized to “To negotiate, assign and allocate development rights within the Central Business District, including assigning mobility fee credits pursuant to any applicable mobility fee contract.”

Mobility Fee Credits may be applied as an incentive to offset Mobility Fees, or a portion thereon, associated with a new allocation of development rights and may be issued within the Central Business District.

In order to be eligible for any Mobility Fee credit, the following minimum requirements must be met:

1. The Developer shall have provided to the City, at no charge, a perpetual, minimum 25' wide, multi-use trail easement (or fee) contemplated by the Downtown Zoning Overlay for Riverwalk or creek-side trails within Downtown, where applicable.
2. In the event that structured parking is provided by the developer, the developer shall conform structured parking to the Chapter 656, Part 3, Subpart H and comply with Downtown Zoning Overlay and Downtown Design Standards for street-front activation and screening of any parking garages and/or parking lots located on the subject property.
3. The developer shall have complied with the sidewalk requirements of the Downtown Zoning Overlay and Downtown Design Standards, including the provision of additional right of way when existing right of way is inadequate.

The DIA may grant a mobility fee credit incentive equal to the value of the Developer's contributions below and will use the following considerations when determining whether to grant a Mobility Fee Credit incentive, and the amount of incentive credit to be awarded:

1. If the developer has conveyed lands either in fee or via perpetual easement for the expansion of the Pedestrian Zone or the Riverwalk or those bike/ped facilities adjacent to McCoy's Creek or Hogan Creek beyond that which are enabled by the existing boundaries of the adjacent rights-of-way or City-owned parcels.
2. The project improves the transportation network through such measures as reduction in the number of existing curb cuts or driveways, utilizes joint driveways or cross access, or includes multi-modal facilities, bus shelters, etc.
3. The developer includes such programs as transit pass, ride share, and other programs that focus on transportation modes other than single occupant vehicles;
4. The Developer provides or makes use of shared use parking. The Developer satisfies the goal in the Downtown Zoning Overlay that 10% of ground level or at grade parking spaces in any new garage will be made available for public parking at all times. Lesser numbers and times will be considered proportionately. The Developer makes excess spaces in any new structured parking facility available for lease or license by users of other developments. The Developer constructs fewer spaces for the exclusive use of the development than are needed, and leases or licenses parking spaces in another existing parking facility for use by tenants of the development.
5. The developer incurs the costs of construction for such public improvements as upgraded sidewalks, pedestrian lighting, benches, shade trees, trash receptacles, artistic bicycle racks, etc. beyond the minimum required by the Downtown Overlay of Downtown Design Standards.
6. The developer has entered into an agreement with the DIA or the City to provide enhanced maintenance of the Pedestrian Zone, the Riverwalk or those bike/ped facilities adjacent to McCoy's Creek or Hogan Creek;
7. Any other improvement or commitment for ongoing maintenance of a facility for the benefit of pedestrians, bicyclists, transit users, or other non-single occupant vehicle transportation users;
8. Any other improvement or commitment for ongoing maintenance of a facility that increases pedestrian or bicyclist connectivity to a park, the St. Johns River and its tributaries, or the Riverwalk; or
9. The project includes a mix of uses that includes first floor retail vertically integrated with residential, noting that office and other non-residential uses may also be incorporated providing that the project includes a residential component.

The developer is to provide a calculated cost of the improvement, land value or maintenance. The DIA may grant a mobility fee credit incentive equal to the value of the developer's contributions above, or at DIA's discretion, in excess thereof if needed to meet the mobility fee credit requirement for the development. Although the Mobility Fee Credit incentive provided is not intended to be derived from a prescribed formula, any value of the Mobility Fee Credit granted, in excess of the improvement, land value or maintenance cost will be the portion of the incentive incorporated into a Return-on-Investment calculation by the DIA.

The value of each credit is determined within the Mobility Fee Credit Contract and is a function of land use x cost per vehicle mile trip x average vehicle mile trip.

## 8. DIA Parking Screening Grant

The "Parking Screening Grant" assists with the costs of compliance with the landscaping and screening requirements of §656.361.6.2.L for accessory and on-site surface parking facilities. "Applicants" may be the owner of record or building management entity.

Pursuant to §656.361.2.L.2(a), accessory and on-site surface parking facilities are required to come into compliance with §656.361.6.2.L, (Screening and Landscaping of Surface Parking, Trash, Storage, and Loading Areas) requirements on or before July 1, 2024. In order to encourage compliance, the Ordinance Code requires the DIA to develop a policy and consider the creation of a Parking Screening Grant to encourage early compliance.

The Parking Screening Grant:

- Is available to those Applicants whose property is deemed out of compliance, or for those properties that are in compliance but are proposing to utilize the program to enhance landscaping and hardscaping when such enhancements have been determined by the DIA Chief Executive Officer to be beneficial to the health, safety and welfare of the public (e.g., replacement of palm trees with shade trees);
- May be used for fencing, screening, landscaping, buffers, hardscaping, etc. necessary for compliance with §656.361.6.2.L for accessory and on-site surface parking facilities;
- May be used for fencing, screening, landscaping, buffers, hardscaping, etc. that does not meet the strict requirements of §656.361.6.2.L when and if the DDRB has granted a deviation from those requirements pursuant to its authority to do so;
- May not be used for those costs associated with compliance with other portions of the Ordinance Code (e.g., ADA spaces) nor may these funds be used for compliance with other Federal, state or local regulations (e.g., stormwater);
- May not be used in conjunction with the creation of a new or expansion of an existing surface parking facility, nor may they be used for commercial surface parking lots; and
- May only be used on those accessory and on-site parking facilities that have been properly permitted and, at the time they were created, were a lawful use.

In addition to the above, a Parking Screening Grant payment is predicated on:

- The Downtown Development Review Board staff having reviewed and found landscape and hardscape plans compliant with the Ordinance Code, or in those instances where an applicant is seeking a deviation from those requirements such deviation has been reviewed and approved by the Downtown Development Review Board ("DDRB");

- A budget for this grant program has approved by the Downtown Investment Authority and funds allocated accordingly;
- All property taxes on the project site are paid and current;
- No contractor liens, no outstanding liens (other than mortgages), and no outstanding code violations at the project address at the time of application and at the time that the request for reimbursement is submitted;
- A signed Agreement for funding assistance having been executed by the Downtown Investment Authority and the Applicant prior to the commencement of any work to be covered under this program. No grants will be awarded retroactively;
- All site improvements complying with all applicable city codes and ordinances, as well as state and federal regulations (if applicable); and
- Work following the permitted or approved plans and specifications and having been completed within six months (180 calendar days) from the execution date of a Parking Screening Grant Agreement (“Agreement”) unless that completion horizon has been extended by the DIA Chief Executive Officer.

If after 180 calendar days from the execution date of a Parking Screening Grant, unless extended by the DIA Chief Executive Officer, who may extend Parking Screening Grants for up to an additional 90 calendar days, the improvements are not completed:

1. The Agreement and funding will become null and void without further action by DIA;
2. The property will be subject to immediate Code Enforcement Action; and
3. The Applicant will not be eligible for another Parking Screening Grant for that property.

#### Parking Screening Grant Funding Tiers

**Tier 1 Funding** – A Parking Screening Grant Agreement must have been executed on or by June 30, 2023, with all work completed pursuant to the Agreement on or by March 26, 2024. Tier 1 Funding will pay for:

- Up to seventy-five percent (75%) of the costs of materials and labor, excluding soft costs and permit costs, with a maximum award of up to \$100,000, providing that an applicant has not sought a deviation from §656.361.6.2.L; or
- Up to fifty percent (50%) of the costs of materials and labor, excluding soft costs and permit costs, with a maximum award of up to \$50,000 in those instances where an applicant has sought and been granted a deviation from §656.361.6.2.L by the DDRB.

**Tier 2 Funding** – A Parking Screening Grant Agreement executed after June 30, 2023, but before May 17, 2024, Tier 2 Funding will pay for:

- Up to fifty percent (50%) of the costs of materials and labor, excluding soft costs and permit costs, with a maximum award of up to \$50,000, providing that an applicant has not sought a deviation from §656.361.6.2.L; or
- Up to twenty-five percent (25%) of the costs of materials and labor, excluding soft costs and permit costs, with a maximum award of up to \$25,000 in those instances where an applicant has sought and been granted a deviation from §656.361.6.2.L by the DDRB.

*Note:* the requirement to come into compliance on or by July 1, 2024, cannot be extended through the execution of a Parking Screening Grant Agreement. Those properties that remain out of compliance on July 1, 2024, shall be subject to immediate Code Enforcement action.

#### Parking Screening Grant Agreement:

The DIA is authorized under this program to create Applications, Agreements, and other forms and require information and documentation as the Chief Executive Officer deems necessary to implement this program while exercising the DIA’s fiduciary responsibilities. This program and funding awards may be implemented administratively or as otherwise dictated by the DIA Board.

## 9. DIA Storefront Façade Grant Program

### Criteria for DIA Storefront Façade Grant Program

#### 1. Program Purpose and Benefit:

To provide grant funding for the improvement of storefronts, and, if applicable, second story façades, in the Downtown Jacksonville Historic District to activate the streetscape and the overall revitalization of Downtown Jacksonville. This program is focused on physical improvements to the exterior of buildings unlike the Retail Enhancement Grant program which is focused on the operating business and interior and exterior improvements required for such business operation.

Location – In the Northbank CRA, limited initially to the area identified as the Downtown Jacksonville Historic District, as designated by the National Register of Historic Places Program. Program boundaries may be expanded from time-to-time by the DIA Board.

#### 2. Eligibility:

- a. Only storefront façades that have street frontage on a public street are eligible. “Storefront Façade” refers to the exterior façade of entire ground floor fronting the sidewalk and public street. The second story of the building may be eligible if the architectural details and construction materials of the second story are most similar to the first story when compared to the rest of the building, or if the building is only two-stories tall. “Storefronts” are not limited to open and occupied retail spaces but may include vacant spaces.
- b. Applicant must be in good standing with the City (no unpaid taxes, Municipal Code Compliance outstanding citation on any property of applicant, outstanding defaults on any City contract, or previous uncured grant defaults or noncompliance).
- c. Have no outstanding liens or violations.
- d. Applicant must not be engaged in an active lawsuit with or have an unresolved claim from or against the City or its agencies that is related to the property for which the grant is sought or other similar rehabilitation grants.
- e. The DIA and the City offer several types of rehabilitation grants and forgivable loans to rehabilitate and/or improve Downtown property, including but not limited to FAB-REP Forgivable Loans, HPTF Grants, and the Storefront Façade Grants, cumulatively referred to as “Downtown Improvement Grant(s).”
  - i. An applicant is limited to one Storefront Façade Grant per applicant at a time and only one Storefront Façade Grant will be awarded for a particular building’s storefront façade.
  - ii. An applicant may receive a REP or FAB-REP grant for business-specific improvements to a building’s façade that already received a Storefront Façade Grant, provided that such improvements are not replacing or removing improvements made with the Storefront Façade Grant.
  - iii. An applicant cannot receive a Storefront Façade Grant for storefront improvements that already received other Downtown Property Improvement Grants for improvements to the storefront or façade.
  - iv. Upon the completion of a project that received a Storefront Façade Grant, the applicant may seek a subsequent Storefront Façade Grant for other eligible structures.

- v. This requirement acknowledges some applicants may have multiple properties that could benefit from the façade grant program. Instead of limiting applicants to one address per year, the DIA would require the completion of a project that received a grant prior to awarding any additional façade grant(s) to the same applicant.
  - f. Must strive to utilize City approved JSEB's for renovation work associated with grant.
  - g. Must contribute to the CRA through ad valorem taxes prior to submitting the application and for 5 years following the receipt of the grant.
  - h. Must agree to remove any billboards when billboard lease expires and conform all nonconforming signs to the current sign code.
  - i. Ineligible: Including but not limited to:
    - i. A structure that has already restored the entire façade.
    - ii. New construction and structures built within the last 25 years.
3. Property Use:  
All property uses that contribute to the CRA through ad valorem taxes are eligible to apply for a Storefront Façade Grant, except that parking garages must have commercial, retail, office, or residential space(s) on the ground floor.
4. Grant Amount:
- a. Base Amount: A maximum amount of 50% of eligible costs, not to exceed:
    - i. \$30 per square foot of eligible storefront façade not to exceed \$75,000.
    - ii. For purposes of calculating the grant amount, the square footage is determined by the total area of the storefront façade to be improved with funds from the grant. (The area included in order to determine the grant amount will not be eligible for a second grant)
  - b. Contributing Structure Boost: For properties that are deemed contributing structures to the Downtown Historic District, but are not locally designated landmarks, an additional \$2 per square foot up to 50% of total costs, not to exceed \$75,000.
  - c. Local Landmarks: If the structure is a locally designated landmark, the applicant should consider applying for a Historic Preservation Trust Fund Grant ("HPTF") instead of a Storefront Façade Grant, since a Certificate of Appropriateness will be required for any improvements and that program has a higher cap for eligible improvements.
5. Eligible Expenses:
- a. In general, the renovation, restoration, and rehabilitation of the ground floor façade that fronts a public street, typically referred to as the "storefront." Improvements to the second story of the building may be eligible if the architectural details and construction materials of the second story are most similar to the first story when compared to the rest of the building, or if the building is only two-stories tall.
  - b. Painting, cleaning, staining, masonry repairs, repairing or replacing cornices, entrances, doors, windows, decorative details and awning, signage
  - c. Screening for parking garages (adjacent to or above an eligible storefront)
  - d. Landscape elements
  - e. Permanently affixed exterior lighting
  - f. Removal of non-contributing false façades
  - g. Replacement or reconstructive woodwork
  - h. Hardscape improvements that are visible from the ROW
  - i. Restoration of historically appropriate doors, windows, or building features
  - j. Removal of deteriorated portions of the façade provided the structural integrity of the building remains intact
  - k. Replacement or installation of signage that is in accordance with the Sign Code

- 6. Historic Designation/Local Landmark Limitations:
  - a. A contributing property that is not designated as local landmark shall perform work that is compatible with the affected structure's original architectural style and character as determined by DDRB however shall not be required to adhere to historic standards. The DDRB will consider the practicality, economic feasibility, and reversibility of making certain non-historically compatible improvements, such as window and doorway replacements, other storefront rehabilitations, and signage, when considering such work.
  - b. Properties that are designated as local landmarks will need to comply with the guidelines and regulations of Ch. 307, Ordinance Code and receive a Certificate of Appropriateness from the Jacksonville Historic Preservation Commission or Division.
- 7. Grant Covenants:  
The Storefront Façade Grant is payable upon completion of work. The grant agreement will include covenants that the recipient:
  - a. Must maintain the improvements in good repair.
  - b. If at any point the space is not occupied, the Property Owner shall utilize its best efforts to continue to activate the streetscape. This can be accomplished through temporarily attaching art on the windows, utilizing the storefront space as an art installation or exhibition, or other creative efforts to address street activation.
- 8. Final Design Approval:  
Approval of a Storefront Façade Grant Application is NOT an approval of the proposed façade improvements. Recipients of a Storefront Façade Grant shall obtain all required authorizations from the Downtown Design Review Board, the Planning and Development Department, and any other necessary department or agency prior to commencing construction. DIA Storefront Façade Grant and DDRB Applications may be processed simultaneously in order to expedite the approval process, however no application will be presented to the DIA Board for final grant approval prior to receipt of DDRB final approval.

## 10. Downtown Preservation and Revitalization Program (DPRP)

The intent of the Downtown Preservation and Revitalization Program (the "DPRP") is to foster the preservation and revitalization of unoccupied, underutilized, and/or deteriorating historic, and qualified non-historic, buildings located in downtown Jacksonville. This program is designed to serve historic projects applying for in excess of \$100,000, and non-historic code compliance projects.

Development projects eligible for this program will be those deemed to promote the following downtown Community Redevelopment Area Goals:

*Redevelopment Goal No. 1:* Reinforce Downtown as the City's unique epicenter for business, history, culture, education, and entertainment. Program specific emphasis will be placed on retail activity, food and beverage establishments, culture, and entertainment including the activation of open spaces.

*Redevelopment Goal No. 2:* Increase rental and owner-occupied housing downtown, targeting key demographic groups seeking a more urban lifestyle. Building on the success of growth in multi-family housing across the downtown corridor, providing additional housing units in historic buildings contributes to the unique residential atmosphere of our City and the opportunity to maximize Jacksonville's historic attributes.

Performance Measures of the City of Jacksonville's Downtown Investment Authority (DIA).

Such developments are considered particularly impactful meaning that their completion is expected to provide the highest level of interest and benefits for residents and visitors to the City, and the greatest impact on creating further demand for surrounding properties thereby stimulating additional investment in development and redevelopment activity.

Single-user, multi-tenant office space, or buildings without retail or public spaces will be considered eligible under this program in limited circumstances based on unique contributions made to the City and its residents such as healthcare providers, financial services, regional or nationally known owners or principal tenants that provide employment in Downtown Jacksonville.

The DPRP has three general components for which funding will be considered:

1. Historic Preservation Restoration and Rehabilitation Forgivable Loan ("HPRR Forgivable Loan")
2. Code Compliance Renovations Forgivable Loan ("CCR Forgivable Loan")
3. Downtown Preservation and Revitalization Program Deferred Principal Loan ("DPRP Deferred Principal Loan")

The DPRP program will be administered in the form of a forgivable loan or loan and each project will require City Council approval. All funds will be disbursed upon completion of improvements subject to cost verification and other approvals as specified on the following pages.

A. General Program Requirements applicable to all proposed projects:

1. Project must be located within the DIA boundary. For this program, a project will be considered within the DIA boundary if, as of the effective date of this program, any portion of the tax parcel on which the building or buildings to be restored or renovated are located, is within the boundary of DIA.
2. Must conform to the goals and objectives of the BID and CRA Plan.
3. Applicant and/or its General Contractor, working in conjunction with the project Architect as applicable, must demonstrate significant, relevant experience and performance on projects of similar type and scale.
4. Total Development Costs ("TDC") is defined as:
  - a. For properties under contract or owned less than one year, the lesser of the current appraised value or the costs for the acquisition of eligible buildings and associated land, less any associated debt, and;
  - b. the negotiated construction costs with a qualified General Contractor; and
  - c. additional soft costs typically eligible for capitalization in development activity of this type.
  - d. Developer Fee is to be excluded from both Sources and Uses.
  - e. The current market value of property owned for more than one year, and less any related debt, may be included in TDC for purposes of these calculations. Appraisals must be dated within one year of the application.
5. The following limits apply to Total Development Costs unless otherwise stated (Existing property owners are also considered the Developer for these purposes):
  - a. Developer equity plus third-party debt plus outside tax credit or other subsidies of not less than:
    - i. 50% if Developer Equity (less Developer Fee) is > 15% of TDC; or
    - ii. 60% if Developer Equity (less Developer Fee) is ≤ 15% of TDC.
  - b. Developer Equity (less Developer Fee) shall be not less than 10% of TDC.
  - c. COJ total capitalization from all sources not to exceed:
    - i. 50% if Developer Equity (less Developer Fee) is > 15% of TDC; or
    - ii. 40% if Developer Equity (less Developer Fee) is ≤ 15% of TDC; or
    - iii. 25% if the property being improved does not have, nor is applying for, local landmark status (i.e., No HPRR Forgivable Loan component in the request).

- d. HPRR Forgivable Loan not to exceed 30% of TDC, as applicable.
- e. CCR Forgivable Loan not to exceed:
  - i. 25% of TDC if the property does not have historic landmark status; or
  - ii. 30% of TDC if the property has historical landmark status
- f. DPRP Deferred Principal Loan not to exceed 20% of TDC, as applicable.
- g. DPRP Deferred Principal Loan shall be not less than 20% of the aggregate gap funding requirement for any project where Developer Equity is less than 25% of TDC.
- h. Funding for the project from all other DIA programs may not exceed 10% TDC, subject to further limitations found in the guidelines for each such program.
- i. If the property is designated, or applying to become, a historic landmark, the request must exceed \$100,000. (requests for \$100,000 or less should proceed under the HPTRF)
6. Total Development Costs must be determined reasonable for the scope of the project utilizing third-party verification where available.
7. Gap funding need must be demonstrated on all projects where the total funding request is greater than \$1 million.
8. ROI must reach 0.50X minimum incorporating the following assumptions:
  - i. Ad valorem real property taxes calculated on the cost basis using a twenty-year time horizon from the date property is projected to be placed into service.
  - ii. Ad valorem property taxes on historic properties are abated for ten years from placed into service date. (Note: Projects receiving a CCR Forgivable Loan without historic landmark status are not eligible for the property tax abatement, and the ROI will be calculated using the incremental ad valorem for the full twenty-year period).
  - iii. Tangible Personal Property tax included based on FF & E information provided by the applicant.
  - iv. Local Opportunity Sales Tax and Employment based on 50% of any speculative commercial lease space and employment information provided by the applicant.
  - v. Estimated interest revenue on the DPRP Deferred Principal Loan to be included as additional benefit to the City.
  - vi. Where preservation and revitalization activities are being performed on a property where business operations are established, ROI will be calculated on existing ad valorem, local opportunity sales tax, and employee metrics.
9. All loan components pursuant to the Redevelopment Agreement will be secured by a subordinate-lien position on the real property behind any senior secured, third-party lender providing construction, mini-perm, or permanent financing.
10. All COJ and DIA program funding under the DPRP will be subject to cross-default, meaning a default under one DPRP component triggers a default under outstanding funding of all DPRP components at such time, subject to applicable cure periods.
11. All property, business, and income taxes must be current at the time of application and maintained in a current status during the approval process, the term of the Redevelopment Agreement and through the DPRP loan period.
12. Payment defaults, bankruptcy filings, or other material defaults during the DPRP loan period will trigger the right for the City of Jacksonville to accelerate all amounts funded and outstanding under any or all programs at such time plus 20% of any amounts amortized or prepaid prior to that date.
13. DPRP Loan funding under any component is subject to standard claw back language related to disposition of the property prior to each component's respective maturity, or similar circumstances of conversion.
14. DIA reserves the right to approve any sale, disposition of collateral property, or refinance of senior debt during the DPRP loan period.

**B. Historic Preservation Restoration and Rehabilitation Forgivable Loan Component (“HPRR Forgivable Loan”)**

1. The building must be designated as a local historic landmark at the time of application or an application for local landmark status must be filed and pending. Application may be made for an award under the DPRP prior to final designation; however, request for funding under this component will not be approved prior to the building receiving designation as a local historic landmark.
2. All work must be reviewed and approved by the Planning and Development Department for consistency with the United States Secretary of Interior Standards and applicable design guidelines during application processing and for verification upon completion and request for funding.
3. This HPRR Forgivable Loan component may include up to:
  - a. 75% of eligible costs for the Restoration or Rehabilitation of the building Exterior
  - b. 75% of eligible costs for the Restoration of Historic features on the building Interior
  - c. 30% of eligible costs for the Rehabilitation of the building Interior; and
  - d. 20% of eligible costs for General Requirements and Overhead of the GC
4. Funding attributable to the HPRR Forgivable Loan may not exceed 30% of Total Development Cost.
5. Downtown Preservation and Revitalization Program funding in the amount of the HPRR Forgivable Loan component will be forgiven 20% per year over the first five years of the loan.
6. This funding component of the Downtown Preservation and Revitalization Program will be interest free.

**C. Code Compliance Renovations Forgivable Loan Component (“CCR Forgivable Loan”)**

1. The building need not be designated a local historic landmark but must be a contributing structure in the National Historic District or a structure at least 50 years old and meet the applicable general program requirements above.
2. This CCR Forgivable Loan component may include up to:
  - a. 75% of eligible costs for bringing the property up to levels as required for Code Compliance or related fire and safety requirements.
  - b. Cost of environmental remediation or abatement on the property or within the building, such as asbestos removal, as included in Total Development Cost, may be included as well as new code requirements.
3. If a building is historically designated with local landmark status and therefore exempt from certain code compliance requirements, the cost of any elective renovations may not be included in this section.
4. If a building is historically designated with local landmark status, all work must be reviewed and approved by the Planning and Development Department for consistency with the United States Secretary of Interior Standards and applicable design guidelines.
5. If a building is historically designated with local landmark status, the scope of Building and Fire Code Improvement work must use the Downtown Historic Building Code Matrix and be approved by the Building Inspection Division of the Public Works Department and the Fire Marshall.
6. If a building is not historically designated but is a contributing structure in the National Historic District, plans must be reviewed and approved by COJ PDD to ensure that no work included in the application would render the building ineligible for local landmark designation. Further, the property must remain in good standing as eligible for local landmark designation during the compliance period of the DPRP.
7. If a building is neither a local landmark nor a contributing structure, but is at least 50 years old, the eligibility of code compliance expenditures will be determined by DIA with the assistance of COJ Planning.
8. Funding derived from the CCR Forgivable Loan component may not exceed 30% of the Total Development Cost when the building is a locally designated landmark.
9. Redevelopment projects where the property being improved neither has, nor is applying for, local landmark status, are only eligible for a CCR Forgivable Loan if the total scope of work of the redevelopment project is CCR eligible and no other work is contemplated. In this event, eligibility is limited

to 25% of Total Development Costs. Other program requirements remain applicable, including that 20% of COJ funding must come in the form of a DPRP Deferred Principal Loan, unless waived under any other provision found in the program guidelines.

10. Downtown Preservation and Revitalization Program funding in the amount of the CCR Forgivable Loan component will be forgiven 10% per year over the ten-year life of the loan when not used in combination with an HPRR Forgivable Loan. When combined with a HPRR Forgivable Loan, both loans will be forgiven over a five-year period at 20% per year, and therefore shall be coterminous.
11. This funding component of the Downtown Preservation and Revitalization Program will be interest free.

**D. Downtown Preservation and Revitalization Program Deferred Principal Loan Component (“DPRP Deferred Principal Loan”)**

1. The DPRP Deferred Principal Loan amount shall be determined by the gross funding gap found in the Total Development Costs with a requirement that the amount will be not less than 20% of gap funding requirement in any development plan where developer equity (net of developer fee) is less than 25% of TDC.
2. Downtown Preservation and Revitalization Program funding in the amount of the DPRP Deferred Principal Loan component will be structured as non-amortizing with a maturity of ten years from closing.
3. Although principal payments on the DPRP Deferred Principal Loan are not required on the loan prior to maturity, interest payments will be due and payable annually based on a rate of the Ten-Year Treasury Note Rate at the time of closing.
4. Partial principal reductions may be made after the fifth anniversary with no prepayment penalty; however, 50% of the loan balance must remain outstanding through the loan maturity date unless the property is sold or refinanced during that period, subject to DIA approval.
5. The loan balance is due in full upon maturity, sale, or refinancing of the property prior to maturity subject to terms of the disposition and value of the property at the time of such event.
6. Funding derived from DPRP Deferred Principal Loan may not exceed 20% of the Total Development Costs and may not be used on a stand-alone basis.

**E. Other DIA programs**

Applicants for funding pursuant to this Downtown Preservation and Revitalization Program may also seek funding from DIA pursuant to the other programs for which they may qualify and choose to fund the applicable portion of redevelopment costs under the program of their choice. However, the Construction Budget provided with each application must clearly delineate costs by the program for which application is made and no portion of a single line-item cost can be considered for or qualify for partial funding under more than one program. For example, the operator of a restaurant could seek funding for build out of a restaurant while the building owner seeks funding under this DPRP program for the building exterior, interior of other spaces, and code compliance. See the separate guidelines for each program for more information.

**F. Project Approval Process**

For applications under the Downtown Preservation and Revitalization Program, the following apply:

1. If the total amount requested is \$100,000 or less, and the property has or is seeking local historic landmark status, the Historic Preservation and Revitalization Trust Fund (“HPRTF”) Guidelines shall apply.
2. If total amount requested is more than \$100,000, and the applicant is seeking funding under the HPRR Forgivable Loan component, the redevelopment agreement requires Historic Preservation Commission Landmark (Local) Recommendation, City Council Landmark Designation, Planning and Development Department Approval of Scope of Work, DIA Board Approval, and City Council approval.
3. If applicant requests funding under the CCR Forgivable Loan:

- a. In any amount, and the property does not have and is not seeking local historic landmark status, the redevelopment agreement requires Planning and Development Department Approval of the Scope of Work, DIA Board Approval, and City Council approval; or
  - b. In excess of \$100,000, and the property has or is seeking local historic landmark status, the redevelopment agreement requires Historic Preservation Commission Landmark (Local) Recommendation, City Council Landmark Designation, Planning and Development Department Approval of Scope of Work, DIA Board Approval, and City Council approval.
4. For any one project, the dollar amounts in all applications for loans or Forgivable Loans submitted within five years of the first HPTRF grant, or loan or Forgivable Loan approved under this program shall be aggregated to determine if the project requires City Council approval.

#### PRE-APPLICATION

1. A pre-application meeting will be held for all proposed developments planning to utilize the DPRP loan program. Attendees shall include the Applicant and related members of the proposed development team, members of the COJ Planning and Development Department (PDD) Historical Preservation Section staff, Downtown Development Review Board (DDRDB) staff, and Downtown Investment Authority (DIA) staff, as appropriate. From this meeting, a strategy that incorporates the following steps and requirements will be formulated to include task assignments and a timeline for target dates to accomplish the application processing goals.

#### APPLICATION AND PROCESSING

1. General – Application and processing of historic designation, Certificate of Appropriateness approval and DPRP funding approval through the Planning and Development Department and DIA may occur simultaneously, except as provided below.
2. Landmark Designation – Application shall be made to the Planning and Development Department (PDD) for Local Landmark designation unless the building is already a local landmark, or the program request is for a CCR loan only.
  - a. The Planning and Development Department shall verify whether the building is already a local Landmark or is eligible for designation. PDD shall assist the applicant in Local Landmark Designation Procedures as needed and process any landmark designation application through the Historic Preservation Commission and City Council approval process.
  - b. A staff report recommending designation must be provided to DIA Staff and an application regarding the same must be filed with the Planning and Development Department prior to any DIA action.
3. Scope of Work –
  - a. Application shall also be made to PDD for a Certificate of Appropriateness or other approval for the scope of work to be performed on any local landmark, or for approval of any CCR work on a contributing structure in the National Historic District.
    - i. Such application shall break down the work to be performed between exterior restoration and renovation work, interior restoration, interior renovation, and code compliance work.
  - b. The Planning and Development Department shall review applications for work to be performed on any local landmark for compliance with the United States Secretary of the Interior Standards for Restoration or Rehabilitation, and any applicable historic preservation design guidelines, and shall issue an approval, denial, or approval with conditions and comments to the DIA. PDD may rely on National Park Service determination, or process locally. In the absence of final NPS approval, a conditional approval letter may be provided to DIA identifying by category any improvements that are considered ineligible. PDD Staff conditional approval shall serve as the basis for determination of qualified eligible expenses in reviewing incentive requests and calculating the “up to” award amount, however actual disbursement of loans will be based on final COA or NPS approved eligible expenses.

- c. All work on local landmarks must be consistent with United States Secretary of Interior’s Standards, approved by Certificate of Appropriateness (COA) by the Historic Preservation Commission, and approved by DDRB.
  - d. PDD shall review applications for CCR work to be performed on contributing structures in the National Historic District to determine whether any of the proposed improvements would render the building ineligible for local landmark designation and identify the same. HPS shall issue a staff report to DIA with the results of their review and indicating whether the elimination of any particular improvements would allow the building to remain eligible for local landmark status.
  - e. The application for a COA or approval of the scope of work can be submitted and reviewed simultaneously with landmark designation; and the HPS staff report regarding scope of work may be issued to DIA prior to the filing of legislation for landmark status so long as the applicant fully understands the total set of approvals needed prior to being eligible for full approval and funding.
  - f. Any work not approved through the COA review process by the Jacksonville Historic Preservation Commission, Planning and Development Department Staff or NPS, or determined to not meet the Secretary of the Interior Standards or other design guidelines will be removed from the list of qualified eligible expenses for consideration, even if previously approved by PDD Staff Conditional Approval as described in letter b. of this section.
4. DPRP Loan Approval – Simultaneously, the application shall be made to DIA for funding pursuant to one or more components of this DPRP. For all applications under the DPRP loan program, DIA Staff shall receive and analyze project information as outlined below:
- a. Business plan to include:
    - i. Proposed usage of the property following completion and contribution towards the relevant DIA Redevelopment Goals and Performance Measures.
    - ii. Names and descriptive summary of relevant experience for all members of the development team including principals, General Contractor, architect, consultants, and others as applicable.
    - iii. Market analysis summary and strategy relied upon in support of the development decision.
    - iv. Names of tenants where lease negotiations are near completion or have been finalized. Executed leases, or those ready for execution, should be provided for consideration in ROI calculations.
    - v. Anticipated job creation, both direct and from commercial spaces whether existing or to be created.
  - b. Applications to include detailed Total Development Cost estimate for proposed acquisition and/or improvements along with sources and uses of funds, a thorough and detailed three-year pro forma financial statements (including time to stabilization), evidence of ownership or control of the subject property.
  - c. A detailed construction budget must be provided that reconciles to the contract with the General Contractor, and that clearly allocates costs between Restoration or Rehabilitation of the building Exterior, Restoration of Historic features on the building Interior, Rehabilitation of the building Interior, General Requirements and Overhead of the GC, and Code Compliance Renovations, as may be appropriate per the DPRP loan request being made.
  - d. Operating pro forma must be provided and DIA must generally agree with projected operating or rental income, operating expenses, and debt service. Market study or third- party data (CoStar or similar) will be relied upon where available.
  - e. Provide evidence that all property, business, and income taxes are current.
  - f. Evidence of Landmark status for the subject property as outlined above or application for the same, to be submitted as appropriate for the request made.
  - g. All code compliance work on buildings not designated local landmarks shall require review by Planning and Development Department to ensure that no contributing structure is rendered ineligible for local landmark designation by the proposed work, and shall require DDRB and DIA Board approval, and City Council approval.

- h. PDD staff recommendation as to eligibility of the approved scope of work on any local landmark shall be required prior to DIA board approval of any program funding, however a contingent staff report will be accepted. The level of certainty required before presentation to the DIA Board and City Council will depend on the extent to which eligible costs exceed the request.
  - i. Upon approval by the DIA Board of DPRP funding, DIA staff will negotiate a proposed Redevelopment Agreement and associated loan documents, possibly combining other sources of revenue, and file the same for approval through MBRC and City Council.
5. Following Final City Council Approval –
- a. The Redevelopment Agreement will be routed for execution.
  - b. During the development process, JSEB goals and implementation will be consistent with the City JSEB Policy.
  - c. DIA to be provided copies of periodic inspections and/or progress reports as applicable.
6. Loan Closing/Funding Requirements –
- a. The DPRP loan will be funded following review and approval of the Request for Disbursement by the Applicant following the issuance of the last needed Certificate of Occupancy for the project.
  - b. All work on locally designated historic landmarks must be inspected by the Planning and Development Department or designee for compliance with the approved application prior to funding.
  - c. COJ PDD, and DIA jointly, or other appropriate COJ Department, will verify that paid invoices submitted for reimbursement align with the construction budget as approved, and confirm Developer’s compliance with previously approved building permits, Certificate of Appropriateness (“COA”), and all Planning and Development Department and NPS approvals, as applicable.
  - d. All existing liens and code violations must be cleared prior to disbursement of funds and recordation of Loan security documents.
  - e. Funds will be authorized for distribution in accordance with the approved Redevelopment Agreement including evidence of all permanent funding commitments, satisfaction of all liens and waiver of claims from general contractor and subcontractors, verification that there are no delinquent property taxes or other tax obligations outstanding beyond their respective due dates, and other requirements as may be found in that agreement.

- a. The building must be a locally designated historic landmark at the time of application or an application for local landmark status must be filed and pending. Application may be made for a HPRTF Grant prior to final designation; however, no funds under this component will be disbursed prior to the building receiving formal designation as a local historic landmark. Any grant award will expire unless designation is obtained within 12 months of the award by the DIA.
- b. All work must be reviewed and approved by the Planning and Development Department for consistency with the United States Secretary of Interior Standards and applicable design guidelines during application processing and for verification upon completion and request for funding.
- c. Eligible expenses include up to:
  - i. 75% of eligible costs for the Restoration or Rehabilitation of the building Exterior
  - ii. 75% of eligible costs for the Restoration of Historic features on the building Interior
  - iii. 30% of eligible costs for the Rehabilitation of the building Interior, and
  - iv. 75% of eligible costs for bringing the property up to levels as required for Code Compliance or related fire and safety requirements. Environmental remediation or abatement within the building such as asbestos removal is included as well as new code requirements.
  - v. 20% of the above eligible costs for General Requirements and Overhead of the GC
- d. HPRTF grants will be awarded for a five-year term and will be forgiven 20% per year over the term of the grant with a claw-back in the event of sale, transfer, or default.
- e. The HPRTF Grant will be interest free.
- f. All funds will be disbursed upon completion of improvements subject to cost verification and other approvals as specified below.
- g. Project must be located within the DIA boundary.
- h. Must conform to the goals and objectives of the BID and CRA Plan.
- i. Applicant and/or its General Contractor must demonstrate significant, relevant experience and performance on projects of similar type and scale.
- j. Total Development Costs (“TDC”) is defined as:
  - i. costs for the acquisition of eligible buildings and associated land, and;
  - ii. the negotiated construction costs with a qualified General Contractor; and
  - iii. additional soft costs typically eligible for capitalization in development activity of this type.
  - iv. Developer Fee is to be excluded from both Sources and Uses.
  - v. The market value of property owned, and any related debt, may be included in TDC for purposes of these calculations.
- k. DIA funding, including HPRTF funds, in the aggregate may not exceed 40% of Total Development Costs.
- l. Developer Equity (less Developer Fee) shall be not less than 10% of TDC.
- m. Total Development Costs must be determined reasonable for the scope of the project utilizing third party verification where available.
- n. ROI must reach 0.50X minimum incorporating the following assumptions
  - i. Ad valorem real property taxes calculated on the cost basis using twenty-year time horizon from date property is projected to be placed into service.
  - ii. Ad valorem property taxes on historic properties are abated for ten years from placed into service date.
  - iii. Tangible Personal Property tax included based on FF & E information provided by the applicant
  - iv. Local Opportunity Sales Tax and Employment based on 50% of any speculative commercial lease space and employment information provided by the applicant
  - v. Where preservation and revitalization activities are being performed on a property where business operations are established, ROI will be calculated on existing ad valorem, local opportunity sales tax, and employee metrics.

## 11. The Downtown Historic Preservation and Revitalization Trust Fund

The purpose of the Historic Preservation and Revitalization Trust Fund Guidelines (“HPRTF”) is to establish the parameters for use of the Trust Fund to facilitate renovation of historically designated landmarks within the DIA boundaries (Downtown). The Trust Fund was created to foster the preservation and revitalization of unoccupied, underutilized, and/or deteriorating historic buildings located in downtown Jacksonville. The Downtown Investment Authority (“DIA”) shall, in coordination with the Planning and Development Department (“PDD”), process applications for and the DIA shall administer grants awarded from the Trust Fund.

1. Only projects that apply for \$100,000 or less in the aggregate are eligible for funding from the Trust Fund.
2. All DIA approvals of Trust Fund allocations are subject to the available unencumbered balance in the Trust Fund at time of award, and all grants awarded by the DIA shall encumber the related balance in the Trust Fund upon execution of a Redevelopment Agreement.
3. Projects that apply for \$100,000, or less may be approved by DIA without further Council approval in compliance with the following criteria:

- o. All property, business, and income taxes must be current at the time of application and maintained in a current status during the approval process, the term of the Redevelopment Agreement and through the HPRTF grant period.
- p. Payment defaults, bankruptcy filings, or other material defaults during the HPRTF Grant period will trigger the right for the City of Jacksonville to accelerate all amounts funded and outstanding under any or all programs at such time.
- q. HPRTF funding is subject to standard claw back language related to disposition of the property within 5 years of disbursement, or similar circumstances of conversion.
- r. DIA reserves the right to approve any sale, disposition of collateral property during the HPRTF Grant period.

### Other DIA Programs

Applicants for funding pursuant to the HPRTF Guidelines may also seek funding from DIA pursuant to the other programs for which they may qualify and choose to fund the applicable portion of redevelopment costs under the program of their choice. However, the Construction Budget provided with each application must clearly delineate costs by the program for which application is made and no portion of a single line-item cost can be considered for or qualify for partial funding under more than one program. For example, the operator of a restaurant could seek funding for build out of a restaurant while the building owner seeks funding under the HPRTF for the building exterior, interior of other spaces, and code compliance. See the separate guidelines for each program for more information.

### Project Approval Process

1. If total amount requested is \$100,000 or less then the redevelopment agreement requires Historic Preservation Commission Landmark (Local) Recommendation, City Council Landmark Designation, Planning and Development Department Historic Preservation Section Approval of Scope of Work, and DIA Board Approval.
2. For any one project, the dollar amounts in all applications for grants submitted within five years of the first grant approved under this program shall be aggregated to determine if the project qualifies.

### Pre-Application

1. A pre-application meeting will be held for all proposed developments planning to utilize the HPRTF program. Attendees shall include the Applicant and related members of the proposed development team, members of the COJ Planning and Development Department (PDD) Historical Preservation Section staff, Downtown development Review Board (DDRB) staff, and Downtown Investment Authority (DIA) staff, as appropriate. From this meeting, a strategy that incorporates the following steps and requirements will be formulated to include task assignments and a timeline for target dates to accomplish the application processing goals.

### Application and Processing

1. General – Application and processing of historic designation, Certificate of Appropriateness approval and HPRTF funding approval through the Planning and Development Department and DIA may occur simultaneously, except as provided below.
2. Landmark Designation – Application shall be made to the Planning and Development Department (PDD) for Local Landmark designation unless the building is already a local landmark.

- a. The Planning and Development Department shall verify whether the building is already a local Landmark or is eligible for designation. PDD shall assist the applicant in Local Landmark Designation Procedures as needed and process any landmark designation application through the Historic Preservation Commission and City Council approval process.
  - b. A staff report recommending designation and legislation regarding the same must be filed prior to any DIA action.
3. Scope of Work –
    - a. Application shall also be made to PDD for a Certificate of Appropriateness or other approval for the scope of work to be performed on any local landmark.
      - i. Such application shall break down the work to be performed between exterior restoration and renovation work, interior restoration, interior renovation, and code compliance work.
    - b. The Planning and Development Department shall review applications for work to be performed on any local landmark for compliance with the United States Secretary of the Interior Standards for Restoration or Rehabilitation, and any applicable historic preservation design guidelines, and shall issue an approval, denial, or approval with conditions and comments to the DIA. PDD may rely on National Park Service determination, or process locally. In the absence of final NPS approval, a conditional approval letter may be provided to DIA identifying by category any improvements that are considered ineligible. PDD Staff conditional approval shall serve as the basis for determination of qualified eligible expenses in reviewing incentive requests and calculating the “up to” award amount, however actual disbursement of loans will be based on final COA or NPS approved eligible expenses.
    - c. All work on local landmarks must be consistent with United States Secretary of Interior’s Standards, approved by Certificate of Appropriateness (COA) by the Historic Preservation Commission, and approved by DDRB.
    - d. The application for a COA or approval of the scope of work can be submitted and reviewed simultaneously with landmark designation; however, no staff report regarding scope of work will be issued to DIA prior to the filing of legislation for landmark status.
    - e. Any work not approved through the COA review process by the Jacksonville Historic Preservation Commission, Planning and Development Department Staff or NPS, or determined to not meet the Secretary of the Interior Standards or other design guidelines will be removed from the list of qualified eligible expenses for consideration, even if previously approved by PDD Staff Conditional Approval as described in letter b. of this section.
  4. HPRTF Grant Approval – Simultaneously, application shall be made to DIA for funding pursuant to the HPRTF Guidelines. DIA Staff shall receive and analyze project information as outlined below:
    - a. Business Plan to Include:
      - i. Proposed usage of the property following completion and contribution towards the relevant DIA Redevelopment Goals and Performance Measures.
      - ii. Names and descriptive summary of relevant experience for all members of the development team including principals, General Contractor, architect, consultants, and others as applicable.
      - iii. Market analysis summary and strategy relied upon in support of the development decision, unless waived by DIA.
      - iv. Names of tenants where lease negotiations are near completion or have been finalized. Executed leases, or those ready for execution, should be provided for consideration in ROI calculations.
      - v. Anticipated job creation, both direct and from commercial spaces whether existing or to be created.
    - b. Applications to include detailed Total Development Cost estimate for proposed acquisition and/or improvements along with sources and uses of funds, evidence of ownership or control of the subject property, and unless waived by DIA, a thorough and detailed three-year pro forma financial statements (including time to stabilization).

- c. A detailed construction budget must be provided that reconciles to the contract with the General Contractor, and that clearly allocates costs between Restoration or Rehabilitation of the building Exterior, Restoration of Historic features on the building Interior, Rehabilitation of the building Interior, General Requirements and Overhead of the GC, and Code Compliance Renovations, as may be appropriate per the HPRTF Grant request being made.
  - d. Corporate applicants shall submit two most recent years' tax returns (if available).
  - e. Applications must be accompanied with a personal financial statement and the two most recent years' tax returns of principals with ownership of more than 20/» of the project, the project's general partner, and/or the project's controlling member.
  - f. Provide evidence that all property, business, and income taxes are current.
  - g. Evidence of Landmark status for the subject property as outlined above or application for the same, to be submitted as appropriate for the request made.
  - h. PDD staff recommendation as to eligibility of the approved scope of work on any local landmark shall be required prior to DIA board approval of any program funding, however a contingent staff report will be accepted. The level of certainty required before presentation to the DIA Board will depend on the extent to which eligible costs exceed the request.
5. Following Final DIA Approval –
- a. Upon approval by the DIA Board of HPRTF funding, DIA staff will negotiate a proposed Redevelopment Agreement and associated grant documents.
  - b. The Redevelopment Agreement will be routed for execution.
  - c. During the development process, JSEB goals and implementation will be consistent with the City JSEB Policy.
  - d. DIA to be provided copies of periodic inspections and/or progress reports as applicable.
6. Closing/Funding Requirements –
- a. The HPRTF Grant will be funded following review and approval of the Request for Disbursement by the Applicant following issuance of the last needed Certificate of Occupancy for the project.
  - b. All work on locally designated historic landmarks must be inspected by the Planning and Development Department or designee for compliance with the approved application prior to funding.
  - c. COJ PDD, and DIA jointly, or other appropriate COJ Department, will verify that paid invoices submitted for reimbursement align with the construction budget as approved, and confirm Developer's compliance with previously approved building permits, Certificate of Appropriateness ("COA"), and all Planning and Development Department and NPS approvals, as applicable.
  - d. All existing liens and code violations must be cleared prior to disbursement of funds and recordation of Loan security documents.
  - e. Funds will be authorized for distribution in accordance with the approved Redevelopment Agreement including evidence of all permanent funding commitments, satisfaction of all liens and waiver of claims from general contractor and subcontractors, verification that there are no delinquent property taxes or other tax obligations outstanding beyond their respective due dates, and other requirements as may be found in that agreement.

## 12. Water Quality Compensatory Credits

Within Downtown, water quality compensatory credits are available for purchase in accordance with the procedure established in Chapter 55, Part 2, of the Jacksonville Ordinance Code.

# Development Strategies

Loans to private developers can become grants upon completion of a successful project. Loans should be based upon the type of improvements that would run with the land (infrastructure, lighting, signage, absorption of lazy assets, etc). What are some practical examples of DIA redevelopment strategies?

1. Providing Ombudsman Services for developers approaching the DIA, City Council and Mayor. This would include assistance with all permits and approvals of all Agencies.
2. Planning and implementing better lighting Downtown.
3. Providing improved safety and security features.
4. Completing or facilitating the purchases and assembly of land for future development.
5. Providing flexible terms for developers purchasing or leasing "Lazy" assets (non-income producing) from the City.
6. Encouraging the use of State and Federal funds in projects (e.g., provide matching funds).
7. Participating in development costs including "soft costs" (e.g., engineering).
8. Providing adequate services and amenities to the site itself and surrounding areas (e.g., storm water retention, access to public transportation, green space/parks, road improvements, etc.).
9. The sale or lease of "Air Rights" above properties.
10. Providing surface leases or structured parking for development.
11. Assistance in project financing.
12. Demolishing blighted areas.
13. Using Brownfields grants or loans for cleanup.
14. Helping developers "stack benefits" to take advantage of several programs.

One Development Strategy used by DIA to coordinate construction of Capital Improvement Projects in the adopted Capital Improvement Program with construction of adjacent private development is the use of Cost Disbursement Agreements pursuant to which a developer may construct the capital project for the City, subject to compliance with applicable procurement laws and consistent with best practices and receive reimbursement for funds expended on the project. All Cost Disbursement Agreements approved and executed by DIA shall contain language that the City's funding shall be paid no earlier than the year in which the funding appears in the CIP at the time of execution of the Cost Disbursement Agreement, unless specifically approved by city Council.

# Structuring the Deal

## Timely Delivery of Incentives is a Key to Success

As a part of any public assistance, the developer will be required to provide a public benefit analysis. This analysis should discuss benefits to the City through DIA including such factors as TIF increases, jobs, placing public lands on the property tax roll, benefits to other businesses in the immediate area, improving the visual atmosphere and sense of place of Downtown through furthering the implementation of the Community Redevelopment Plan, etc. Benefits to other taxing bodies should be demonstrated. Property tax generated by the newly developed/revitalized property goes to the underlying taxing bodies providing a revenue increase for schools, parks, libraries and so forth without raising taxes.

### Summary of Stackable Potential Incentives:

1. Land-lease terms, purchase terms, subordination on public properties;
2. Infrastructure-water, storm water, sewer, electrical, gas availability, etc.;
3. Brownfields assessment and proposed treatment;
4. Interest subsidy-writing down loans, especially in the first three (3) years;
5. Assist with Downtown Development Review Board regarding land use/ zoning changes and approvals;
6. Facilitate with approvals from St. Johns Water Management District, DEP and other agencies;
7. Facilitate with introductions and support from District Councilperson and City Council;

8. Facilitate with introductions and support of the Office of the Mayor, Office of Economic Development, etc.;
9. Facilitate with General Counsel’s office;
10. Facilitate with development/construction calendar with timetable and assigned responsibilities;
11. Assistance with other pre-development costs such as: Architectural and site planning costs, Engineering costs, Phase 1, Phase 2 Environmental Audits, Variances, exceptions, street closures, surveys, market studies, appraisals, parking requirements, air rights, landscaping requirements, signage, lighting, roads, utilities;
12. Negotiate agreements subject to review of the Office of General Counsel;
13. Program based forgivable loan/grants (previously discussed);
14. Recapture Enhanced Value (REV) Grants;
15. Loans/Loan Guarantee/credit enhancements;
16. Other grants;
17. Assist with Enterprise Zone rebates;
18. Equity partnerships/Public Private Partnerships;
19. Assist as intermediary with all City Agencies and State Agencies such as Historic Preservation Commission, JEA, JTA, OED, DCPS, Environmental Services Division, Public Works, DCA, etc.; and
20. Where possible, exchange Fixed Costs for Variable costs.

# Best Practices for Program Effectiveness

The BID recommends several “best practices” for the DIA to maximize the potential effectiveness of incentives:

### Align incentive use with a clearly articulated economic development strategy that defines specific goals and objectives.

Economic development strategies identify priorities and goals for the community’s future, and they can offer important guidance for the implementation of incentive programs. If the strategy calls for high-wage job creation, reducing unemployment and increasing environmental sustainability, the corresponding incentive program should prioritize businesses that pay relatively high wages for the occupation or background of the workers, businesses that will hire the local unemployed, and businesses that can generate environmental benefits.

### Align incentive design with business needs.

Considering business needs and objectives in the design of incentives can help to ensure that incentive programs influence business decisions as intended. For example, businesses often make decisions based on short-term profit objectives, and as a result, up-front incentives may be more effective than back-loaded incentives. However, recovering these costs in case that a business fails to meet standards or comply with rules may not be possible, even if incentive agreements include provisions that require non-compliant businesses to refund the incentives (“claw backs”). Providing incentives in the form of infrastructure or employee training allows businesses to receive benefits up-front, while minimizing the extent to which the community suffers if the businesses leave, since the infrastructure will remain in place and the workers will still be trained.

### Include clear performance standards, mechanisms for monitoring performance, and penalties for breach of contract in all agreements with incentive recipients.

Contract design can have a major impact on the extent to which an incentive program benefits the community. The BID Strategy recommends liquidated damages, in addition to “claw backs”, be incorporated in certain incentive contracts. These would require businesses to refund incentives to the DIA if they do not meet performance standards. However, strong incentive agreements also include clear performance standards, mechanisms for monitoring performance, and penalties for breach of contract.

The most typical performance data reported for incentive programs are job creation, investment, and cost data. At the same time, several types of incentive performance data that are not consistently reported, such as average salaries of jobs created or retained; whether past incentive recipients are still in the jurisdiction; whether the incentive was an attraction or retention project; and actions taken against incentive recipients that have not complied with program requirements or met performance targets.

### Evaluate incentive programs regularly.

Concurrent and retrospective evaluations provide information regarding whether incentives are working in practice. In order for evaluations to be useful, there must be an ongoing schedule to review all incentive programs, evaluations must examine incentive programs in the context of the stated goals of the programs. Evaluations must be discussed during policy and budget deliberations.

# IMPLEMENTATION OF THE BID

While the planning process of this update has come to a close, the next phase – implementation – has just begun. The BID” Strategy is intended to be a living document that details the next ten years of economic growth Downtown.

This requires a high level of trust and cooperation between citizens, elected officials, DIA Staff, the Governing Board, businesses, community organizations, and other governmental agencies - all of whom need to move forward together. This section identifies phasing, priorities, and responsible parties.



The following points represent some of the overarching elements of the implementation plan:

- **Start with Policy** – Establishing policy first also creates the necessary framework for future implementation activities.
- **Identify Plan Champions** – For overall plan implementation and each project to maximize the chance of success.
- **Think About the “In Common” Benefits** – Use a common vision to get the necessary work completed.
- **Align City Hall** – The vision of the BID Strategy is kept by everyone who contributed to the work, but they will need the support of City departments to coordinate efforts and be effective. It is critical that new projects from every department happen in conjunction with the BID.
- **Be Bold (but Prudent)** – Pursue bold evolutions of policy and new projects.
- **Keep Stakeholders Involved** – No one knows the issues as well as the collective group of stakeholders participating in formation of this BID Strategy. Those connections must be maintained and stakeholders must remain engaged. The stakeholders should be proactive about BID implementation and be empowered to champion the vision and projects.
- **Focus and Finish What We Have Started** – Stick to the game plan and complete projects in order. When undertaking a project or policy, finish before moving on to the next area.

DIA will provide the strategic guidance and oversight of the implementation process, while partners through various City departments, the private sector, and working groups will implement many of the recommendations. Businesses

throughout the City will need to engage in the pieces of the BID Strategy that are most important to them.

The essential steps for successful implementation are:

- Clear ownership structure and chain of command;
- Concrete action steps;
- Articulation of funding needed and potential resources;
- Cooperation;
- A coordinated message about the necessity of the BID for economic growth; and
- Evaluation and benchmarking.

The Chief Executive Officer and DIA Staff will manage the day-to-day oversight of the implementation including:

**Promotion**

- Develop messaging on the BID’s objectives, strategies, and actions share messaging with all implementation partners.
- Celebrate and publicize quick wins, accomplishments, and successes.

**Coordination**

- With Governing Board leadership, align goals and actions with City priorities.
- Work with implementation partners to implement goals and actions.

**Secure Resources**

- Secure funds for staffing, marketing, and other program funding to ensure implementation.

Implementation will be measured on a consistent basis through annual report cards to accurately measure the outcomes. The BID Strategy is a living plan that will grow and adapt to market conditions, so there will be changes and adaptations as implementation moves forward.

**Ownership**

The BID Strategy requires champions. To be successful and realize the vision, it is imperative for the community to be a proactive partner and to remain engaged in implementation activities. Success also hinges on coordination of City activities. With cooperation and responsibility of all City agencies the DIA and the community must strive to move forward in unison toward common goals. Key elements of an implementation program include building strong, consistent

leadership in support of the BID. Amendments and exceptions to the BID Strategy are anticipated because it is designed to be flexible and provide guidance should unforeseen conditions arise. However, as amendments and exceptions are made, care should be taken not to incrementally erode the overall vision. All proposed amendments and exceptions should be evaluated and weighed against the eight Goals prior to being considered by the Governing Board.

## Decision-Making Criteria

**Each DIA incentive program has its own criteria for projects seeking those funds.**

A major role of the BID Strategy is to provide a basis for decision-making based upon the vision identified in the Community Redevelopment Plan. The decision-making criteria are intended to be used as a reference guide for the DIA Governing Board when reviewing applications and proposals within Downtown Jacksonville **beyond established DIA incentive programs.**

**Decision making tools, such as the Tiers System, Years Tables, and Performance Measures, are for projects seeking funding outside of or beyond the scope of our standing incentive programs (such as the Multi-Family Housing REV Grant, Commercial Revitalization Program, Retail Enhancement Grant Program etc.).**

Instead of a conventional scoring matrix, the DIA Governing Board will utilize three qualitative tiers for evaluating whether or not a project should potentially receive financial assistance by the Authority. Proposals that meet all three Tier criteria shall be eligible to receive financial assistance from DIA, based on availability of funds, using

an incentive mechanism or combination of mechanisms that is deemed appropriate by the DIA at time of application. Any proposed project which is determined by DIA staff to negatively impact any BID Performance Measure will be deemed ineligible for DIA staff review and evaluation under the Tiers System. Furthermore, the Tiers System review is designed for multi-faceted or unique projects that would not otherwise be eligible for specific DIA programs. It may not be used to circumvent the parameters of an established program.

**Due to the unique nature of each individual project that comes before the DIA Staff and Governing Board, the Tier System has been deliberately designed to be simplified for each project to have the potential to reach its final development agreement outcome based upon its own merits once it has been found to meet Tiers 1 through 3. Mega Projects with a private capital investment in excess of \$250,000,000, and which meet the requirements of the Tiers System may be eligible for additional incentive consideration on a case-by-case basis.**

### Tier 1

The Applicant will complete an application form, project pro-forma and project profile assessment form (See APPENDIX A), (together with any other financial information requested by DIA and reasonably necessary to evaluate financial gap or need and the accuracy of construction costs, financing commitments, etc.) and submit all to the DIA for staff review and evaluation. No incentive will exceed the financial need demonstrated in Tier 1.

### Tier 2

The proposed project must meet no fewer than three (3) of the BID Goals. To meet any single BID Goal, the proposed project must satisfy at least four (4) of the strategic objectives associated with the respective BID Goal and identified as Tiers Eligible (T/E). The Applicant must identify each BID Goal with a specific justification regarding the T/E strategic objectives which the proposed project exceeds or satisfies. As part of the Applicant’s proposal, this detailed description regarding the strategic objectives and the respective BID Goal shall be provided to the DIA for staff review and evaluation. The project’s ability to have significant impact on multiple goals and strategic objectives must be demonstrated in order to satisfy Tier 2.

### Tier 3

The project will positively affect and substantively complete a project or combination of projects included in the Years Tables and identified as “Tiers Eligible” from the Years Tables contained in the following section. The value of the Tiers Eligible project or projects completed will be evaluated in proportion to the private capital investment of the project and amount of incentive requested. To satisfy the Tier 3 requirement:

- The tiers eligible project(s) value must be equal to or greater than 3% of the total development cost of the proposed development project; and
- The proposed tiers eligible project must be acceptable to DIA, in its sole discretion, both in terms of timing of implementation and in terms of specific project design, content, etc.;

### Incentive Amount

Incentive amounts and incentive bonus amounts will be determined based on the incentive table below. REV Grants provide for the recovery of a portion of the incremental increase in ad-valorem taxes on real property which is produced by the proposed project. REV Grants shall be the primary incentive mechanism for awarding financial assistance under the Tiers System, however the DIA may recommend additional incentive mechanisms (such as completion grants, matching grants, etc.) which would be in addition to any REV Grant, for Mega projects as described above, or in accordance with the table below.

Number of BID Goals Advanced <i>(as demonstrated by minimum 4 strategic objectives each)</i>	Positive Impact on 3 Performance Measures	Positive Impact on 4 Performance Measures	Positive Impact on 5 Performance Measures	Positive Impact on 6 Performance Measures
Three (3)	50% REV	55%	60%	65%
Four (4)	60% REV	65%	70%	MAX 75%
Five (5)	70% REV	MAX 75%	MAX 75%	MAX 75%

In addition to the foregoing, any project located on a catalytic site will receive a 10% boost up to a maximum of 75%. Any project at 75% Maximum REV grant, and Mega projects, will be eligible for consideration for additional incentives.

# Years Tables

## Projects and Programs by Year

The general phasing and timing for implementing proposed projects, programs, or other initiatives is outlined in the following pages referred to as the “Years Tables.” The grouping of projects, programs, or other initiatives has been organized based upon recommended timeframes to establish order and prioritization. The funding source(s) is identified in the Years Tables for each project, program, or other initiative as funds become available and/or are projected. Each project, program, or other initiative has a responsible party identified and the BID Goal that it supports. Funds associated with a particular year are the anticipated expenditure in that year, not necessarily the appropriation of CRA funds for that year. For example, programs with carryover resources will not require new appropriation to continue implementation of the program at the level identified in the specific year.

In addition, there are “Catalyst Sites” and “Catalyst Projects” that are identified in the Catalytic Activity with Undetermined Timeframes List. Their timeframes for development will be market driven.

**The Years Tables are not static.** They are to be closely monitored in conjunction with assessments of development activity, the development market, and the City of Jacksonville’s Capital Improvement Plan (CIP). The DIA has the ability to update the tables as needed, whether that means moving projects from one timeframe to another, eliminating them, or adding new projects. The Years Tables are active project tracking tools to manage the allocation of the DIA resources. The list and tables are as follows:

- Catalytic Activity with Undetermined Timeframes
- Near Term: First Year (2022/2023), Second Year (2023/2024), Third Year (2024/2025)
- Mid Term: Fourth Year - Seventh Year (2025/2029)
- Long Term: Eighth Year – Eleventh Year (2029/2033)

The Years Tables recognize some projects, programs, or other initiatives will be concluded in their programmed year, while others will require more than a single year to complete. There have been repeated line items to anticipate this.

In addition to projects, there are also programs identified that, given their success and outcomes, may continue for the life of the BID Strategy.

The Years Tables detail each project, program, and/or initiative recommended by the DIA Governing Board and DIA Staff for funding in part or in whole. The tables identify the entities primarily responsible for implementation (not necessarily the project champion, just the entity most likely to carry out the project).

IT IS IMPORTANT TO NOTE: The Years Tables also reflect the BID Goals each project, program, or other initiative supports. As referenced previously in Tier 3, the Years Tables are not only used for program funding and to organize execution, but to use as a component of the Tiers System review and evaluation method.

### Catalytic Activity with Undetermined Time-frames

*\*This is a representative list, not meant to be exclusionary*

- Shipyard and Kids Kampus Catalyst Sites
- Sports & Entertainment District Surface Parking Lots
- Riverfront Plaza Development Pad/East Parking Lot
- Former City Hall Annex/Courthouse Sites
- Snyder Memorial Church
- One Riverside Avenue/McCoy’s Creek
- LaVilla Catalyst Sites – Arts Gateway and Existing Convention Center
- First Baptist Church Campus
- Rivers Edge
- Duval County Public Schools Riverfront Site

### Northbank – Near-Term – 1st Year (2022/2023)

Project	Project List Legend:												
	Tiers Eligible	DIA	City or Other Governmental Entity	Business Community	Stakeholder Group	Property Owner/Developer	GOAL ONE: Increase commercial office utilization.	GOAL TWO: Increase rental and owner-occupied housing	GOAL THREE: Increase and diversify retail, food and beverage, and entertainment	GOAL FOUR: Increase the vibrancy of Downtown	GOAL FIVE: Improve the quality of life in Downtown Jacksonville	GOAL SIX: Improve the walkability/bikeability of Downtown	GOAL SEVEN: Capitalize on the aesthetic beauty of the St. John's River
Northbank Retail Enhancement Program (\$1,000,000)	✓				✓	✓			✓				
Northbank Façade Grant Program (\$150,000)	✓				✓	✓			✓				
Northbank Housing Incentives: Development Loans (\$650,000)	✓				✓		✓						
Northbank Housing Incentives: Small Scale Residential (\$250,000)	✓				✓		✓						
Northbank Commercial Revitalization Program (\$500,000)	✓				✓	✓							
Northbank Parking Screening Grant (\$500,000)	✓				✓				✓	✓			
Marketing & Promotions (\$200,000)	✓							✓	✓				
Northbank Banners (\$30,000)	✓	✓							✓	✓			
Northbank Parks & Programming (and Programming/Activation of Public Spaces) (\$500,000)	✓			✓					✓	✓			
Waterfront Activation (\$50,000)	✓			✓					✓	✓			
Urban Art Program (\$300,000)	✓				✓				✓	✓			
Reintroduce Two-Way Streets: Forsyth & Adams Streets (\$1,000,000)	✓								✓	✓			
Parks Capitial Improvements and Land Acquisition (\$500,000)	✓			✓			✓		✓	✓			
Shipyards West CRA Scope & Park Project (\$250,000)	✓	✓		✓					✓	✓	✓	✓	
Downtown Enhanced Maintenance (\$500,000)	✓	✓			✓					✓			
Historic Markers (\$500,000 - DEDF)	✓	✓		✓	✓					✓	✓		
LaVilla Heritage Trail & Gateways (\$500,000)	✓	✓		✓	✓				✓	✓	✓		
Northbank Riverwalk Extension & Enhancements (\$25,000)	✓								✓	✓	✓	✓	
St. Johns and Tributary Access - Liberty Marina (\$950,000)		✓							✓			✓	
Park Street Road Diet (2,000,000)		✓									✓		
Metropolitan Park (\$1,000,000)		✓							✓	✓	✓	✓	
Riverfront Plaza (\$25,000,000)		✓							✓	✓	✓	✓	
Shipyards West - Kids Kampus Replacement Park (\$15,000,000)		✓							✓	✓	✓	✓	
LaVilla Cultural Parks - Lift Ev'ry Voice & Sing Park (fully funded)	✓	✓							✓	✓	✓		
Hogan Street Improvements-Emerald Trail (\$TBD)		✓							✓	✓	✓	✓	

### Southside – Near-Term – 1st Year (2022/2023)

Project	Project List Legend:												
	Tiers Eligible	DIA	City or Other Governmental Entity	Business Community	Stakeholder Group	Property Owner/Developer	GOAL ONE: Increase commercial office utilization.	GOAL TWO: Increase rental and owner-occupied housing	GOAL THREE: Increase and diversify retail, food and beverage, and entertainment	GOAL FOUR: Increase the vibrancy of Downtown	GOAL FIVE: Improve the quality of life in Downtown Jacksonville	GOAL SIX: Improve the walkability/bikeability of Downtown	GOAL SEVEN: Capitalize on the aesthetic beauty of the St. John's River
Southbank Retail Enhancement Program (\$300,000)		✓				✓	✓			✓			
Southbank Commercial Revitalization Program (\$250,000)		✓				✓	✓						
Southbank Housing Incentives: Small Scale Residential (\$25,000)		✓				✓		✓					
Southbank Parking Screening Grant (\$75,000)		✓				✓				✓	✓		
Marketing and Promotions (\$50,000)		✓							✓	✓			
Southbank Downtown Banners (\$5,000)		✓	✓							✓	✓		
Southbank Parks & Programming (\$100,000)		✓	✓							✓	✓		
Southbank Parking/Boat Ramp Access (\$200,000)		✓	✓							✓	✓		✓
Urban Art Program (\$25,000)		✓		✓		✓				✓	✓		
Enhanced Southbank Downtown Maintenance (\$75,000)		✓	✓	✓		✓					✓		
Southbank Parks Acquisition and CRA Capital Improvements (\$50,000)		✓			✓						✓		
RiversEdge CRA Infrastructure (\$3,500,000)		✓				✓				✓	✓	✓	✓
Southbank Riverwalk Enhancements (\$25,000)		✓								✓	✓	✓	✓
Southbank Riverwalk Extension and Overland Connector (\$15,000,000)			✓			✓				✓	✓	✓	✓

### Northbank – Near-Term – 2nd Year (2023/2024)

<b>Project List Legend:</b>													
Tiers Eligible													
Project	DIA	City or Other Governmental Entity	Business Community	Stakeholder Group	Property Owner/Developer	GOAL ONE: Increase commercial office utilization.	GOAL TWO: Increase rental and owner-occupied housing	GOAL THREE: Increase and diversify retail, food and beverage, and entertainment	GOAL FOUR: Increase the vibrancy of Downtown	GOAL FIVE: Improve the quality of life in Downtown Jacksonville	GOAL SIX: Improve the walkability/bikeability of Downtown	GOAL SEVEN: Capitalize on the aesthetic beauty of the St. John's River	GOAL EIGHT: Simplify and increase the efficiency of the approval process for downtown development
Northbank Retail Enhancement Program (\$1,000,000)	✓				✓			✓	✓				
Northbank Façade Grant Program (\$150,000)	✓				✓	✓		✓	✓		✓		
Northbank Commercial Revitalization Program (\$500,000)	✓				✓	✓							
Northbank Housing Incentives: Development Loans (\$625,000)	✓				✓		✓						
Northbank Parking Screening Grant (\$500,000)	✓				✓				✓	✓			
Northbank Housing Incentives: Small Scale Residential (\$250,000)	✓				✓		✓						
Marketing and Promotions (\$200,000)	✓							✓	✓				
Northbank Parks Programming and Programming/Activation of Public Spaces (\$500,000)	✓	✓		✓	✓				✓	✓			
Northbank Banners (\$15,000)	✓								✓	✓			
LaVilla Heritage Trail and Gateways (\$500,000)	✓	✓	✓	✓	✓				✓	✓	✓		
Waterfront Activation (\$50,000)	✓	✓		✓					✓	✓		✓	
Urban Art Program (\$300,000)	✓		✓						✓	✓			
Northbank Parks Capital Improvements and Land Acquisition (\$1,000,000)	✓			✓						✓			
Neighborhood Streetscape Improvements (\$1,000,000)	✓	✓			✓				✓	✓	✓		
Northbank Riverwalk Enhancement & Signage (\$1,000,000)	✓	✓			✓				✓			✓	
Northbank Downtown Enhanced Maintenance (\$500,000)	✓									✓			
Liberty Street Improvements (\$100,000)	✓								✓		✓		
Downtown Wi-Fi (\$100,000)	✓								✓	✓			
Historic Markers (\$10,000)	✓								✓	✓			
Shipyards West CRA Park Scope (\$250,000)	✓			✓					✓	✓	✓	✓	
Northbank Riverwalk Extension & Enhancements (\$15,000,000)		✓							✓	✓	✓	✓	
Northbank Riverwalk Enhancements (\$1,000,000)	✓	✓			✓				✓	✓	✓	✓	
Metropolitan Park (\$TBD)		✓		✓	✓				✓	✓	✓	✓	
K012 in the Northbank CRA (\$TBD)	✓	✓	✓	✓			✓		✓				
Hogans Creek Improvements & Emerald Trail (\$TBD)	✓		✓	✓					✓	✓	✓	✓	
McCoy's Creek Improvements & Emerald Trail (\$TBD)	✓		✓	✓					✓	✓	✓	✓	
LaVilla Cultural Parks Ritz Pocket Park (\$TBD)		✓		✓					✓	✓	✓	✓	

### Southside – Near-Term – 2nd Year (2023/2024)

<b>Project List Legend:</b>													
Tiers Eligible													
Project	DIA	City or Other Governmental Entity	Business Community	Stakeholder Group	Property Owner/Developer	GOAL ONE: Increase commercial office utilization.	GOAL TWO: Increase rental and owner-occupied housing	GOAL THREE: Increase and diversify retail, food and beverage, and entertainment	GOAL FOUR: Increase the vibrancy of Downtown	GOAL FIVE: Improve the quality of life in Downtown Jacksonville	GOAL SIX: Improve the walkability/bikeability of Downtown	GOAL SEVEN: Capitalize on the aesthetic beauty of the St. John's River	GOAL EIGHT: Simplify and increase the efficiency of the approval process for downtown development
Southbank Retail Enhancement Program (\$500,000)	✓					✓			✓				
Southbank Commercial Revitalization Program (\$200,000)	✓					✓							
Southbank Housing Incentives: Small Scale Residential (\$25,000)	✓						✓						
Southbank Parking Screening Grant (\$50,000)	✓									✓	✓		
Marketing and Promotions (\$75,000)	✓							✓	✓				
Southbank Parks & Programming (\$200,000)	✓	✓							✓	✓			
Southbank Downtown Banners (\$5,000)	✓								✓	✓			
Urban Art Program (\$75,000)	✓		✓						✓	✓			
Enhanced Downtown Maintenance (\$100,000)	✓	✓								✓			
Southbank Downtown Parks CRA Capital Improvements (\$150,000)	✓									✓			
Southbank Waterfront Activation (\$25,000)	✓	✓							✓	✓		✓	
RiversEdge CRA Infrastructure (\$3,500,000)	✓				✓				✓	✓	✓	✓	
River and Tributary Access (\$25,000)	✓	✓								✓		✓	
Southbank Riverwalk Enhancement (\$250,000)	✓								✓	✓	✓	✓	
Southbank Riverwalk Extension & Overland Connector (\$TBD)		✓							✓	✓	✓	✓	

### Northbank – Near-Term – 3rd Year (2024/2025)

Project	Project List Legend:												
	Tiers Eligible	DIA	City or Other Governmental Entity	Business Community	Stakeholder Group	Property Owner/Developer	GOAL ONE: Increase commercial office utilization.	GOAL TWO: Increase rental and owner-occupied housing	GOAL THREE: Increase and diversify retail, food and beverage, and entertainment	GOAL FOUR: Increase the vibrancy of Downtown	GOAL FIVE: Improve the quality of life in Downtown Jacksonville	GOAL SIX: Improve the walkability/bikeability of Downtown	GOAL SEVEN: Capitalize on the aesthetic beauty of the St. John's River
Marketing and Promotions (\$225,000)	✓							✓	✓				
Northbank Retail Enhancement Program (\$1,000,000)	✓					✓			✓				
Northbank Façade Grant Program (\$150,000)	✓					✓			✓				
Northbank Housing Incentives: Development Loans (\$650,000)	✓						✓						
Northbank Commercial Revitalization Program (\$500,000)	✓					✓							
Northbank Housing Incentives: Small Scale Residential (\$225,000)	✓						✓						
Northbank Banners (\$25,000)	✓								✓	✓			
Waterfront Activation (\$50,000)	✓	✓		✓					✓	✓		✓	
Urban Art Program (\$300,000)	✓		✓						✓	✓			
Northbank Parks & Programming (and Programming/Activation of Public Spaces) (\$500,000)	✓	✓							✓	✓			
Northbank Parks CRA Capital Improvements and Land Acquisition(\$500,000)	✓									✓			
Neighborhood Streetscape Improvements (\$500,000)	✓		✓						✓	✓	✓		
Northbank Riverwalk Enhancement & Signage (\$1,000,000)	✓	✓							✓			✓	
Northbank Wayfarer Signage (\$500,000)	✓									✓	✓	✓	
Liberty Street Improvements (\$100,000)			✓						✓		✓		
Downtown Enhanced Maintenance (\$500,000)	✓	✓							✓				
Downtown Wi-Fi (\$5,000)	✓					✓	✓		✓				
Historic Markers (\$490,000)	✓									✓	✓		
Hogans Creek Improvements and Emerald Trail (\$TBD)		✓								✓	✓	✓	
McCoy's Creek Improvements and Emerald Trail (\$TBD)		✓								✓	✓	✓	
Metropolitan Park (\$TBD)		✓							✓	✓	✓	✓	
Shipyards West CRA Park Scope (\$250,000)		✓							✓	✓	✓	✓	
Shipyards West City (\$TBD)									✓	✓	✓	✓	
K-12 in the Northbank CRA (\$TBD)	✓	✓	✓	✓			✓		✓				

### Southside – Near-Term – 3rd Year (2024/2025)

Project	Project List Legend:													
	Tiers Eligible	DIA	City or Other Governmental Entity	Business Community	Stakeholder Group	Property Owner/Developer	GOAL ONE: Increase commercial office utilization.	GOAL TWO: Increase rental and owner-occupied housing	GOAL THREE: Increase and diversify retail, food and beverage, and entertainment	GOAL FOUR: Increase the vibrancy of Downtown	GOAL FIVE: Improve the quality of life in Downtown Jacksonville	GOAL SIX: Improve the walkability/bikeability of Downtown	GOAL SEVEN: Capitalize on the aesthetic beauty of the St. John's River	GOAL EIGHT: Simplify and increase the efficiency of the approval process for downtown development
Southbank Retail Enhancement Program (\$200,000)		✓					✓			✓				
Southbank Commercial Revitalization Program (\$250,000)		✓					✓							
Southbank Housing Incentives: Small Scale Residential (\$25,000)		✓						✓						
Marketing and Promotions (\$75,000)		✓							✓	✓				
Southbank Parks & Programming (\$200,000)		✓	✓							✓	✓			
Southbank Downtown Banners (\$5,000)		✓	✓							✓	✓			
RiversEdge CRA Infrastructure (\$3,500,000)		✓				✓				✓	✓	✓	✓	
Urban Art Program (\$25,000)		✓		✓						✓	✓			
Enhanced Downtown maintenance (\$100,000)		✓	✓								✓			
Southbank Parks CRA Capital Improvements (\$250,000)		✓									✓			
Southbank Waterfront Activation (\$250,000)		✓	✓							✓	✓		✓	
River and Tributary Access (\$25,000)		✓	✓								✓		✓	
Southbank Riverwalk Enhancement (\$250,000)		✓	✓							✓	✓	✓	✓	

**Northbank – Mid-Term – 4-7 Years (2025-2029)**

Project	Project List Legend:													
	Tiers Eligible	DIA	City or Other Governmental Entity	Business Community	Stakeholder Group	Property Owner/Developer	GOAL ONE: Increase commercial office utilization.	GOAL TWO: Increase rental and owner-occupied housing	GOAL THREE: Increase and diversify retail, food and beverage, and entertainment	GOAL FOUR: Increase the vibrancy of Downtown	GOAL FIVE: Improve the quality of life in Downtown Jacksonville	GOAL SIX: Improve the walkability/bikeability of Downtown	GOAL SEVEN: Capitalize on the aesthetic beauty of the St. John's River	GOAL EIGHT: Simplify and increase the efficiency of the approval process for downtown development
Northbank Retail Enhancement Programs (\$1,000,000 annually)	✓				✓			✓	✓					
Northbank Facade Grant Program (\$150,000 annually)	✓				✓	✓			✓					
Northbank Housing Incentives: Development Loans (\$650,000 annually)	✓				✓		✓							
Commercial Office Incentive (\$500,000 annually)	✓				✓	✓								
Northbank Housing Incentives: Small Scale Residential Incentive (\$100,000 annually)	✓				✓		✓							
Marketing and Promotions (\$225,000 annually)	✓							✓	✓					
Northbank Parks & Programming (and Programming/Activation of Public Spaces) (\$750,000 annually)	✓	✓		✓	✓				✓	✓				
Downtown Parks CRA Capital Improvements (\$1,000,000)	✓			✓	✓					✓				
Northbank Banners (\$15,000 annually)	✓								✓	✓				
Waterfront Activation projection (\$50,000 annually)	✓	✓		✓					✓	✓		✓		
Urban Art Program (\$200,000 annually)	✓		✓		✓				✓	✓				
Neighborhood Streetscape Improvements (\$750,000 annually)	✓		✓		✓				✓	✓	✓			
Northbank Riverwalk Enhancement and Signage (\$250,000 annually)	✓	✓							✓			✓		
Downtown Maintenance (\$500,000 annually)	✓	✓			✓				✓					
Liberty Street Improvements (\$1,400,000)	✓								✓		✓			
Northbank Wayfarer Signage (\$500,000)	✓								✓	✓	✓			
Downtown Wi-Fi (\$100,000)	✓					✓	✓		✓					
Northbank River & Tributary Access (\$500,000)	✓	✓								✓		✓		
Shipyards West CRA Park Scope (\$TBD)	✓			✓					✓	✓	✓	✓		
Shipyards West City (\$TBD)		✓		✓					✓	✓	✓	✓		
McCoy's Creek Riverfront Park (\$TBD)									✓	✓	✓	✓		
K-12 in the Northbank CRA (\$TBD)	✓	✓	✓	✓			✓			✓				
Hogans Creek (City CIP)	✓	✓			✓				✓	✓	✓	✓		

**Southside – Mid-Term – 4-7 Years (2025-2029)**

Project	Project List Legend:													
	Tiers Eligible	DIA	City or Other Governmental Entity	Business Community	Stakeholder Group	Property Owner/Developer	GOAL ONE: Increase commercial office utilization.	GOAL TWO: Increase rental and owner-occupied housing	GOAL THREE: Increase and diversify retail, food and beverage, and entertainment	GOAL FOUR: Increase the vibrancy of Downtown	GOAL FIVE: Improve the quality of life in Downtown Jacksonville	GOAL SIX: Improve the walkability/bikeability of Downtown	GOAL SEVEN: Capitalize on the aesthetic beauty of the St. John's River	GOAL EIGHT: Simplify and increase the efficiency of the approval process for downtown development
Southbank Retail Enhancement Program (\$200,000 annually)		✓				✓	✓			✓				
Southbank Commercial Revitalization Program (\$200,000 annually)		✓				✓	✓							
Southbank Housing Incentives: Small Scale Residential Incentive (\$25,000 annually)		✓				✓		✓						
Marketing and Promotions (\$75,000 annually)		✓							✓	✓				
Southbank Wayfaring Signage (\$150,000)		✓								✓	✓	✓		
Flagler Avenue Shared Street - Design & Permitting, Implementation (\$2,000,000)		✓	✓	✓							✓	✓	✓	
Southside Parks & Programming (\$250,000 annually)		✓	✓			✓				✓	✓			
Southbank Banners (\$5,000 annually)		✓	✓							✓	✓			
Urban Art Program (\$75,000 annually)		✓		✓		✓				✓	✓			
Enhanced Downtown Maintenance (\$150,000 annually)		✓	✓			✓					✓			
Downtown Parks CRA Capital Improvements and Land Acquisition (\$500,000 annually)		✓				✓					✓			
Southside Waterfront Activation (\$50,000 annually)		✓	✓							✓	✓		✓	
RiversEdge CRA Infrastructure (\$1,000,000)		✓				✓				✓	✓	✓	✓	
Neighborhood Streetscape Improvements (\$750,000)		✓		✓		✓				✓	✓	✓		
Cross Southbank Connector (\$75,000)		✓									✓	✓		
River and Tributary Access (\$1,250,000)		✓	✓								✓		✓	
Southbank Riverwalk Enhancement (\$500,000 annually)		✓	✓			✓					✓	✓	✓	

### Northbank – Long Term – 8-11 Years (2029-2033)

Project	Project List Legend:													
	Tiers Eligible	DIA	City or Other Governmental Entity	Business Community	Stakeholder Group	Property Owner/Developer	GOAL ONE: Increase commercial office utilization.	GOAL TWO: Increase rental and owner-occupied housing	GOAL THREE: Increase and diversify retail, food and beverage, and entertainment	GOAL FOUR: Increase the vibrancy of Downtown	GOAL FIVE: Improve the quality of life in Downtown Jacksonville	GOAL SIX: Improve the walkability/bikeability of Downtown	GOAL SEVEN: Capitalize on the aesthetic beauty of the St. John's River	GOAL EIGHT: Simplify and increase the efficiency of the approval process for downtown development
Northbank Commercial Office Incentive (\$500,000 annually)	✓				✓	✓								
Northbank Housing Incentives: Small Scale Residential Incentive (\$250,000 annually)	✓				✓		✓							
Northbank Housing Incentives: Development Loans (\$625,000 annually)	✓				✓		✓							
Northbank Retail Enhancement Programs (\$500,000 annually)	✓				✓	✓			✓					
Northbank Façade Grant Program (\$100,000 annually)	✓				✓	✓			✓					
Marketing and Promotions (\$225,000 annually)	✓			✓				✓	✓					
Northbank Banners (\$20,000 annually)	✓								✓	✓				
Waterfront Activation projection (\$50,000 annually)	✓	✓		✓					✓	✓		✓		
Urban Art & Streetscape Program (\$1,000,000 annually)	✓		✓		✓				✓	✓				
Northbank Parks & Programming (and Programming/Activation of Public Spaces) (\$1,000,000 annually)	✓	✓			✓				✓	✓				
Downtown Parks CRA Capital Improvements (\$2,000,000)	✓									✓				
Neighborhood Streetscape Improvements (\$5,000,000 annually)	✓		✓		✓				✓	✓	✓			
Northbank River and Tributary Access (\$500,000)	✓	✓								✓		✓		
Northbank Riverwalk Enhancement and Signage (\$1,000,000 annually)	✓	✓			✓				✓			✓		
Downtown Maintenance (\$750,000 annually)	✓	✓			✓				✓					
Wayfarer Signage (\$850,000)	✓	✓							✓	✓	✓		✓	
Historic Markers (\$25,000)	✓								✓	✓				

### Southside – Long Term – 8-11 Years (2029-2033)

Project	Project List Legend:													
	Tiers Eligible	DIA	City or Other Governmental Entity	Business Community	Stakeholder Group	Property Owner/Developer	GOAL ONE: Increase commercial office utilization.	GOAL TWO: Increase rental and owner-occupied housing	GOAL THREE: Increase and diversify retail, food and beverage, and entertainment	GOAL FOUR: Increase the vibrancy of Downtown	GOAL FIVE: Improve the quality of life in Downtown Jacksonville	GOAL SIX: Improve the walkability/bikeability of Downtown	GOAL SEVEN: Capitalize on the aesthetic beauty of the St. John's River	GOAL EIGHT: Simplify and increase the efficiency of the approval process for downtown development
Southbank Retail Enhancement Program (\$200,000 annually)		✓				✓	✓			✓				
Southbank Commercial Revitalization Program (\$200,000 annually)		✓				✓	✓							
Southbank Housing Incentives: Small Scale Residential Incentive (\$50,000)		✓				✓		✓						
Marketing and Promotions (\$50,000 annually)		✓						✓	✓					
Southbank Parks & Programming (\$250,000 annually)		✓	✓			✓				✓	✓			
Southbank Banners (\$7,000 annually)		✓	✓							✓	✓			
Urban Art Program (\$100,000)		✓		✓		✓				✓	✓			
Enhanced Downtown Maintenance (\$100,000 annually)		✓	✓			✓					✓			
Downtown Parks CRA Capital Improvements and Land Acquisition (\$2,000,000)		✓				✓					✓			
Southbank Waterfront Activation (\$50,000 annually)		✓	✓		✓					✓	✓		✓	
River and Tributary Access (\$750,000)		✓	✓								✓		✓	
Wayfarer Signage (\$TBD)		✓	✓							✓	✓	✓		✓
Southbank Riverwalk Enhancement (\$1,000,000)		✓	✓			✓				✓	✓	✓	✓	

# PERFORMANCE MEASURES

It is recommended that DIA focus on tracking outcomes, benefits and changes of Downtown in relation to the BID Strategy. Tracking such indicators provides a better understanding of the relative economic vitality of Downtown Jacksonville. The following Performance Measures will enable the DIA to assess the economic development conditions and improvements in Downtown, along with suggested targets per the Years Tables for overall improvement by 2030. NOTE: The Performance Measures are calculated at an estimated growth progression as listed below which ultimately coincides with the Market Feasibility Study outcomes.

## Key Snapshot

Downtown Economic Indicator	Current Performance	2030 Target	Difference
Employment	56,000 <sup>1</sup>	62,343 <sup>2</sup>	+6,343
Multi-Family Residents	6,830 <sup>3</sup>	13,000	+6,170
Multi-Family Housing Units	4,314	8,140	+3,826
Office Space Vacancy	11.7% <sup>5</sup>	9.5%	-2.2%
Number of Vacant Storefronts in City Center <sup>6</sup>	51	10	-41
Number of Restaurants/ Bars in Downtown <sup>6</sup>	97	197	+100
Number of Full-Service Grocers <sup>6</sup>	2	4	+2
Tax Value	\$1,975,602,021 <sup>7</sup>	\$2,778,402,030	+\$802,800,009
Hotel Occupancy	64.6% <sup>8</sup>	75.0% <sup>9</sup>	+10.4%
ADR	\$113.50 <sup>8</sup>	\$250.00 <sup>9</sup>	+\$136.50
Annual Overnight Guests	850,865 <sup>8</sup>	1,200,000 <sup>9</sup>	+349,135
Number of Daily Downtown Visits <sup>5</sup>	44,889	75,000	+30,111
Inactive COJ Assets by Acreage	153.6 <sup>11</sup>	91.8 converted	61.2 remaining

Notes: (1) Employee count from JAXUSA as of July 2021, (2) JAXUSA established target for Downtown, (3) As of December 31, 2020,2021, Per DVI SOD (4) Based on target of 425 units per year on average, 95% occupancy rate, 1.7 residents per unit (5) CoStar Q4 2021 DIA Boundary (6) Count as of January 2022, (7) as of 12/31/2021, (8) 2021 average, (9) Visit Jacksonville established target, (10) Placer Ai.ai data, (11) As of December 31, 2020.

**APPENDIX A:**

**Project Profile Assessment**



I. Overview

Date Submitted: \_\_\_\_/\_\_\_\_/\_\_\_\_

This Project Profile Assessment (PPA) is required with all requests for incentive funding through the Downtown Investment Authority (DIA) regardless of the program request being made or current status. It is important that you complete the PPA as accurately and completely as possible (as applicable); however, changes will be permitted as the request is being processed. Please type responses or print legibly for clarity.

II. Business Project Name

Name as Registered: \_\_\_\_\_

Entity to be formed: \_\_\_\_\_

Doing Business As: \_\_\_\_\_

III. Applicant Information

Primary Point of Contact \_\_\_\_\_

Contact Method: Cell Phone \_\_\_\_\_ Other Phone: \_\_\_\_\_

E-mail \_\_\_\_\_

Mailing Address \_\_\_\_\_

Second Point of Contact \_\_\_\_\_

Contact Method: Cell Phone \_\_\_\_\_ Other Phone: \_\_\_\_\_

E-mail \_\_\_\_\_

Mailing Address \_\_\_\_\_

Authorized Agent #1 \_\_\_\_\_

Relationship/Role \_\_\_\_\_

Contact Method: Cell Phone \_\_\_\_\_ Other Phone: \_\_\_\_\_

E-mail \_\_\_\_\_

Mailing Address \_\_\_\_\_

Authorized Agent #2 \_\_\_\_\_

Relationship/Role \_\_\_\_\_

Contact Method: Cell Phone \_\_\_\_\_ Other Phone: \_\_\_\_\_

E-mail \_\_\_\_\_

Mailing Address \_\_\_\_\_

**IV. Business Activity (Complete each section as relevant if mixed use)**

*For all new businesses, a business plan that details the target market niche, product offerings, management team info, relevant experience, and similar factors will be required to complete the application review. This requirement does not apply to existing businesses unless substantive changes are anticipated as part of the request being made.*

\_\_\_ **Multifamily Housing** (Select one or both as may be applicable) For Rent \_\_\_ For Sale \_\_\_

1. Property type: Apartment \_\_\_\_, Townhome \_\_\_\_, Condominium \_\_\_\_
2. Number of floors with leasable/occupiable units: \_\_\_\_\_
3. Number of occupiable living units: Studio \_\_\_\_, 1 BR \_\_\_\_, 2 BR \_\_\_\_, 3 BR \_\_\_\_, Other \_\_\_\_
4. Private amenities: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
5. Public Amenities: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

\_\_\_ **Retail / Restaurant / Bar or Entertainment Venue**

1. Principal nature of the business: \_\_\_\_\_
2. Number of employees anticipated: Full-time \_\_\_\_\_ Part-time \_\_\_\_\_
3. Proposed Hours of Operation:
 

	Mo	Tu	We	Th	Fr	Sa	Su
Open:	_____	_____	_____	_____	_____	_____	_____
Close:	_____	_____	_____	_____	_____	_____	_____

\_\_\_ **Office / Commercial Space**

1. Principal nature of the business: \_\_\_\_\_
2. Number of employees: Full-time \_\_\_\_\_ Part-time \_\_\_\_\_

\_\_\_ **Hotel/Hospitality**

1. Principal nature of the business: \_\_\_\_\_
2. Number of employees anticipated: Full-time \_\_\_\_\_ Part-time \_\_\_\_\_
3. Private amenities: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
4. Public Amenities: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_



- c. Designated as a local Historic landmark or that process is underway through the COJ Planning and Development Department Historic Preservation Commission: \_\_\_\_\_
- 5. Duval County Property Appraiser RE #: \_\_\_\_\_
- 6. Duval County Property Appraiser: Value: \_\_\_\_\_ As of Date \_\_\_\_/\_\_\_\_/\_\_\_\_
- 7. Appraised value (Provide a copy of any appraisals completed within the past year):
  - a. As Is: Value: \_\_\_\_\_ As of Date \_\_\_\_/\_\_\_\_/\_\_\_\_
  - b. Upon Completion: Value: \_\_\_\_\_ As of Date \_\_\_\_/\_\_\_\_/\_\_\_\_
  - c. As Stabilized: Value: \_\_\_\_\_ As of Date \_\_\_\_/\_\_\_\_/\_\_\_\_
- 8. Acquisition price: \$ \_\_\_\_\_ Date of Acquisition \_\_\_\_/\_\_\_\_/\_\_\_\_

**VI. Applicable DIA Incentive Program Name (See program guidelines for additional information)**

Additional information on each of the following incentives programs and their related requirements can be found at <https://dia.coj.net> Please review that information thoroughly prior to submitting the PPA or scheduling a meeting with DIA staff to discuss the proposed project.

_____	Multi-family REV Grant	\$ _____
_____	Small Scale Residential Grant	\$ _____
_____	Affordable Housing Support Loan	\$ _____
_____	Commercial Revitalization Program	\$ _____
_____	Retail Enhancement Programs	\$ _____
	a) _____ Basic Retail Enhancement Grant	\$ _____
	b) _____ Core Area Retail Enhancement Grant	\$ _____
	c) _____ Targeted Food and Beverage Grant (FAB-REP)	\$ _____
	d) _____ Sidewalk Enhancement Grant	\$ _____
	i. _____ In combination with FAB-REP	\$ _____
	ii. _____ Stand-alone	\$ _____
	e) _____ Waterfront Restaurant Grant	\$ _____
_____	Boutique Hotel Rev Grant	\$ _____
_____	Downtown Preservation & Revitalization Program	\$ _____
_____	Historic Preservation Trust Fund	\$ _____
_____	Façade Grant Program	\$ _____
_____	Mobility Fee Credit Incentive	\$ _____
_____	Parking Screening/Landscape Grant	\$ _____
_____	Stormwater Quality Credits	\$ _____
_____	Land Contribution	\$ _____



_____	Downtown Economic Development Grant	\$ _____
_____	Other	\$ _____
_____	Other	\$ _____

**VII. DIA Goals Met and Reasoning** (See the DIA BID Strategy for Strategic Objectives and Benchmarks)

\_\_\_\_\_ Goal 1: Increase commercial office utilization, occupancy, and job growth to reinforce Downtown as the region’s epicenter for business.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ Goal 2: Increase rental and owner-occupied housing Downtown targeting diverse populations identified as seeking a more urban lifestyle

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ Goal 3: Increase and diversify the number and type of retail, food and beverage, and entertainment establishments within Downtown

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ Goal 4: Increase the vibrancy of Downtown for residents and visitors through arts, culture, history, sports, theater, events, parks, and attractions

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ Goal 5: Improve the safety, accessibility and wellness of Downtown Jacksonville and cleanliness and maintenance of public spaces for residents, workers, and visitors.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ Goal 6: Improve the walkability/bike-ability of Downtown and pedestrian and bicycle connectivity between Downtown and adjacent neighborhoods and the St. Johns River.

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\_\_\_\_\_ Goal 7: Capitalize on the aesthetic beauty of the St. John’s River, value its health and respect its natural force, and maximize interactive and recreational opportunities for residents and visitors to create waterfront experiences unique to Downtown Jacksonville.

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\_\_\_\_\_ Goal 8: Simplify and increase the efficiency of the approval process for downtown development and improve departmental and agency coordination.

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**VI. Additional Information to be Provided**

1. *For all new businesses being established, please provide the following as available:*
  - a. *A business plan that details the target market niche, product offerings, management team info, relevant experience, and similar factors will be required to complete the application review. This requirement does not apply to existing businesses unless substantive changes are anticipated as part of the request being made.*
  - b. *Sources and Uses of Capital (Development Budget) – During Construction and Following Completion and with identification of lenders and term sheets or LOIs where available.*
  - c. *Construction Budget – Should reconcile to the Development Budget as well.*
  - d. *Operating Pro Forma – Preferably ten years, three years at minimum.*
  - e. *Copy of any lease agreements being negotiated or already executed.*
  - f. *Copy of any appraisal of the property completed within the past year.*
  - g. *Copy of any market study for the project completed within the past year.*
2. *Program specific application as necessary.*

**APPENDIX B:**

**Downtown Feasibility Study**



Final Report  
September 15, 2021

# JACKSONVILLE DOWNTOWN MARKET FEASIBILITY STUDY

## PART I OF II:

DEMOGRAPHIC, ECONOMIC, REAL ESTATE MARKET,  
DIA INCENTIVES & PEER CITIES FINDINGS



# ACKNOWLEDGEMENTS

## Jacksonville Downtown Investment Authority

Lori Boyer, CEO  
Steven Kelley, Director of Downtown Development  
Guy Parola, Operations Manager  
Ina Mezini, Marketing & Communications Specialist

## 2020 DIA Board of Directors

Bill Adams  
Oliver J. Barakart  
Jim Citrano  
Leanna Cumber (Council Member Liaison)  
Todd Froats  
Braxton W. Gillam  
Craig A. Gibbs  
Ron Moody (Chair)  
David Ward  
Carol Worsham

## Downtown Development Review Board (DDRB)

Brent J. Allen (Vice-Chair)  
Craig D. Davisson  
Brenna Durden (Secretary)  
Christian M. Harden  
Frederick N. Jones  
Trevor S. Lee  
Joseph P. Loretta  
Bill Schilling

## Downtown Vision, Inc.

Jacob A. Gordon, Esq.  
Katherine Hardwick, Vice President of Marketing

## JAXUSA Partnership

Audra Wallace, President

## Visit Jacksonville

Michael Corrigan, President & CEO  
Laurie Kopstad, Director of Research



## City of Jacksonville Mayor & City Council

Mayor Lenny Curry  
District 1: Joyce Morgan  
District 2: Al Ferraro  
District 3: Aaron L. Bowman  
District 4: Kevin Carrico  
District 5: LeAnna Cumber  
District 6: Michael Boylan  
District 7: Reggie Gaffney  
District 8: Ju'Coby Pittman  
District 9: Garrett L. Dennis  
District 10: Brenda Priestly Jackson  
District 11: Danny Becton  
District 12: Randy White  
District 13: Rory Diamond  
District 14: Randy DeFoor

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Group 3: Tommy Hazouri  
Group 4: Matt Carlucci  
Group 5: Samuel Newby

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# I. INTRODUCTION & EXECUTIVE SUMMARY

The City of Jacksonville Downtown Investment Authority (Jacksonville DIA) is undertaking an update to the 2014-2019 Community Redevelopment Area Business Investment & Development Plan.

To inform policy recommendations, redevelopment strategies, and allocation of limited public resources to meet the goals and objectives established by the Downtown Jacksonville Community Redevelopment Area (CRA) Plan, the DIA is undertaking a market feasibility study focused on the neighborhood or District-level (these terms are used interchangeably) drivers of real estate supply and demand for multifamily, retail, food and beverage, office and hotel uses.

These eight subject neighborhood districts that are contained within the Downtown Jacksonville Northbank CRA (Northbank Downtown) and Southside CRA (Southbank) include:

- Brooklyn
- Cathedral
- Central Core
- Church
- LaVilla
- Southbank
- Sports and Entertainment
- Working Waterfront

## Downtown Jacksonville 2014 COMMUNITY REDEVELOPMENT AREA GOALS

- 1 Reinforce Downtown as the City's unique epicenter for business, history, culture, education, and entertainment
- 2 Increase rental and owner-occupied housing Downtown, targeting key demographic groups seeking a more urban lifestyle
- 3 Simplify the approval process for Downtown development and improve departmental and agency coordination
- 4 Improve walkability/bike ability and connectivity to adjacent neighborhoods and the St. Johns River while creating highly walkable nodes
- 5 Establish a waterfront design framework to ensure a unique experience and sense of place
- 6 Maintain a clean and safe 24-7 Downtown for residents, workers, and visitors
- 7 Promote design for healthy living by using planning and economic development policies

## Downtown Jacksonville Market Feasibility Study

The market and feasibility study provides an expanded and updated baseline of demographic and real estate trends and projections to inform an assessment of development constraints and opportunities in each Downtown neighborhood District.

The market analysis identifies opportunities to catalyze development activity with targeted incentives in each Downtown neighborhood District as a key focus of the study.

To fully profile current market conditions and impediments to development, the market assessment includes direct input from the local and regional real estate development and brokerage community.

The market study builds on the prior Business Investment and Development Strategy research released in 2014 (updated in 2019) with an expanded emphasis on data collection and analysis at the District level.

Finally, recognizing the impact of Covid-19 on the real estate redevelopment market, note that pre-Covid-19 data is analyzed to establish a baseline. The baseline is compared to real time data capturing shifts in trade area composition, daytime employment, frequency and length of visits/trips, and other demand-related impacts of the Covid-19 pandemic.

The demographic and real estate market assessments are informed by the most current data available from the US Census American Community Survey, CoStar, ESRI, Placer.ai, and STR through January 2021 to capture the most current market conditions in Downtown Jacksonville by District and sector, along with estimated recovery time frames. Accordingly, the projections of

demand within each District are provided in a range of hypothetical scenarios for planning purposes only (best case, worst case and most likely).

The outcome of the Downtown Jacksonville Market and Feasibility Study is centered on identifying the needs, impediments, and opportunities for development by sector within each neighborhood Districts of Downtown Jacksonville utilizing an objective, data driven approach.

The Market and Feasibility Study concludes that the DIA is making progress towards goals according to established performance measures, especially with respect to growth in Downtown population, multifamily residential development, and outdoor dining establishments.

The DIA should continue to make incentives flexible and nimble to meet the needs of catalytic projects with complex deal structuring. The DIA should also explore the opportunity to use targeted developer incentives to cross-subsidize mixed-use projects to achieve an optimal mix of uses with the Downtown's remaining available land – increasingly scarce and valuable.

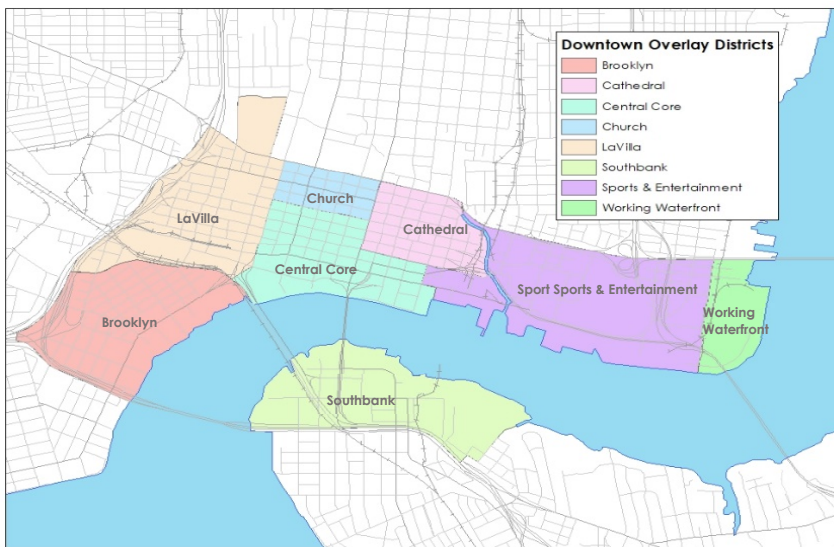
Concurrently, an evolving set of incentives guidelines will come into play as the market matures, new concepts emerge, projects materialize, and land values rise. The DIA's role as Downtown development facilitator will likewise evolve to require greater emphasis on curation of specific target uses at the District/neighborhood level on a project-by-project basis.

Over time, the DIA will foster the creation of more Downtown destinations, experiential retail, and specialty/neighborhood-serving “gems” through the continuing exceptional administration of the start-up subsidies and tax incentives needed to fund investment gaps.

## II. EXISTING CONDITIONS

### Downtown Districts

Following is a profile of each Downtown Jacksonville neighborhood District located in the Northbank (Northbank Downtown) and Southside (Southbank) CRAs.



#### Brooklyn

Brooklyn connects the Central Core to the historic Riverside neighborhood and Five Points shopping and dining district. Home to major headquarters, such as Black Knight Financial, FIS, Florida Blue and Haskell National Bank, Brooklyn serves both businesses and residents.

The district is leading development trends that are evolving to offer a mix of uses, including riverfront office, multifamily housing, restaurants, retail and light industrial. The community’s direct river access has spurred several major projects which are underway. Brooklyn is well positioned for continued urban infill redevelopment activity with increasing mixed-use product offerings.

Figure 1: Public Art, Brooklyn District



Source: Jacksonville Downtown Investment Authority, 2020

## Downtown Jacksonville Market Feasibility Study

### Cathedral

Anchored by five historic churches, the Cathedral District connects the Central Core to the Sports and Entertainment District and is home to Billy Goat Hill, the highest point in Downtown Jacksonville. Beginning in 2016, the area has been championed by Cathedral District Jax-Inc. (CD-J), a nonprofit organized to foster growth in this Jacksonville Downtown neighborhood by supporting development and revitalization efforts.

**Figure 2: Cathedral District Mural**



Source: Jacksonville Downtown Investment Authority, 2020

Minor portions of the Cathedral District are in a Florida "Opportunity Zone", a designation created through the federal Tax Cuts and Jobs Act of 2017 for economically distressed areas. OZs are designed to spur economic development by providing tax incentives for investors who invest new capital in property or businesses operating in one or more QOZs.

### Central Core

Jacksonville was founded on the riverbank of the Central Core and its small walkable blocks are filled with historic architecture, cultural amenities, and public art. The district encompasses much of Downtown's office towers, government services, regional non-profits, and various art and cultural centers.

Key riverfront property development is advancing to enhance Jacksonville's iconic skyline. Notably, the availability of several unique and historic properties provides significant opportunities for adaptive reuse and enhancing the experiential sense of place in Downtown Jacksonville.

**Figure 3: Central Core Mural**



Source: Jacksonville Downtown Investment Authority, 2020

## Downtown Jacksonville Market Feasibility Study

### Church

Situated along the northern boundary of Downtown between the Central Core and the historic Springfield neighborhood, the district is at the onset of a major transition.

Drawing its name from the multi-block First Baptist Church of Jacksonville campus, the area is ripe for redevelopment, with eight contiguous blocks currently for sale and multiple adaptive reuse projects underway to bring residential, retail and a hotel to the district.

### LaVilla

As Jacksonville's oldest suburb, LaVilla was known as the Harlem of the South and the epicenter of black culture and commerce in Northeast Florida, as well as Jacksonville's railroad hub. Following a decline in population and quality of life in the 20th Century, the River City Renaissance (RCR) Plan aimed to revitalize the area in the 1990s, making room for future development through the acquisition and clearing of many acres.

Development stalled for nearly thirty years, but recently, redevelopment has returned in the form of new workforce housing and transportation projects. The 2019 LaVilla Neighborhood Development Strategy recommends the development of the LaVilla Heritage Trail for pedestrians and bicycles and a Water Street road diet to connect the historic district to the riverfront.

Figure 4: The Ritz Theatre & Museum, LaVilla District



Source: Jacksonville Downtown Investment Authority, 2020

### Sports and Entertainment

The Sports and Entertainment District is home to five sports teams, major concerts, the annual Jacksonville Fair, and more – forming the biggest concentration of entertainment venues in Northeast Florida.

The district was once home to a thriving maritime industry, its riverfront lined with shipyards. Today, major mixed-use developments are planned to bring residents, employees, and visitors to the area.

As with the Cathedral District, an area of the Sports and Entertainment District was designated as an "Opportunity Zone" by the federal Tax Cuts and Jobs Act of 2017.

## Downtown Jacksonville Market Feasibility Study

Figure 5: Sports and Entertainment District – Shipyards & Kids Kampus Redevelopment Area



Source: Jacksonville Downtown Investment Authority, 2021

The Shipyards and Kids Kampus project is a major development program currently approved by the DIA. Components include:

- Five-star luxury hotel with 176 rooms and high-quality amenities (i.e., spa, pool, and meeting spaces)
- Residential condominiums (25 Class A units)
- Class A Office (157,027 Gross Square Feet); and
- Retail and activated uses (+/- 39,000 sq. ft.)

Total project investment in the proposed master plan concept is \$315 million.

Figure 6: Naya Autonomous Shuttle, Sports and Entertainment District



Source: Jacksonville Downtown Investment Authority, 2020

## Downtown Jacksonville Market Feasibility Study

### Southbank

Home to tall riverfront office and residential towers, the Southbank sits between the St. Johns River and the San Marco neighborhood to the south. It features a wealth of hotels and nationally recognized medical campuses including Baptist Medical Center, Wolfson Children’s Hospital, MD Anderson Cancer Center and Nemours Specialty Care center. The community enjoys direct riverfront access via the Southbank Riverwalk, a boat ramp, kayak launch, and River Taxi stops.

Figure 7: Southbank Riverwalk



Source: Jacksonville Downtown Investment Authority; RMA; Willdan, 2021

### Working Waterfront

The Working Waterfront sits on the eastern edge of Downtown. Home to the North Florida Shipyards, the district primarily supports industrial waterfront uses with a special district zoning overlay that accommodates the shipping, lumber, concrete, oil, and similar businesses operating there.

### Major Projects on the Horizon

According to the DIA, while the pandemic has presented new challenges everywhere, Downtown Jacksonville has seen several new major projects break ground or further advance through the master planning process.

Figure 8: Shipyards & Kids Kampus Master Plan Concept (Land View from St. John's River)



Source: Jacksonville Downtown Investment Authority; HKS Inc.; Willdan, 2021

These major planned and proposed projects are profiled in the following table.

## Downtown Jacksonville Market Feasibility Study

Table 1: Downtown Jacksonville Major Projects, 2021

Downtown Overlay District	Major Projects Under Construction/Proposed
<b>Brooklyn</b>	FIS Headquarters (300,000 sq ft) Florida Blue Parking Garage Vista Brooklyn (308 Units, 13,000 Sq Ft Retail)
<b>Cathedral</b>	Ashley Square (120 units senior housing)
<b>Central Core</b>	Federal Reserve Building Florida Baptist Convention Building Independent Life Building Jacksonville Energy Authority (JEA) Headquarters Ambassador Hotel (historic rehabilitation, 127 Rooms) Laura Street Trio: Florida Life Building; Bisbee Building; Florida National Bank Building Riverfront Plaza (FKA The Landing) Vystar Credit Union Headquarters
<b>Church</b>	Porter House Mansion (16,000 Sq Ft Office)
<b>LaVilla</b>	Emerald Trail Master Plan Connection JEA Secondary Headquarters Building La Villa Townhomes Lift Ev'ry Voice and Sing Park
<b>Southbank</b>	River's Edge (\$353M investment, 950 units, 140 hotel rooms, 334,000 sq ft office/retail) Southbank Apartments by Ventures (185 Units) The Related Group Development (327 Units)
<b>Sports and Entertainment District</b>	Museum of Science and History (MOSH) Stadium of the Future The Doro Shipyards and Kids Kampus Master Plan Redevelopment

Figure 9: Shipyards and Kids Kampus Redevelopment Vision



Source: Jacksonville Downtown Investment Authority; HKS Inc; RMA; Willdan, 2021

Figure 10: JEA Headquarters, Downtown Jacksonville Central Core



Source: Jacksonville Downtown Investment Authority, 2020

### III. METHODOLOGY & APPROACH

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#### Data Sources

The consultants collected demographic and economic data from October 2020 through March 2021 from a variety of industry standard software subscription licenses to establish a complete comparative baseline for the year 2020. The study also relies on client provided background reports, studies, data, and individual market research interviews. These resources are further detailed in Appendix II in this report.

#### Geographic Information Systems (GIS)

This analysis is informed by geographic information systems (GIS) data in several ways. Spatial data was collected data for each District where available, including from ESRI Business Analyst, CoStar and Placer.ai.

#### ESRI Business Analyst

ESRI Business Analysis was used to collect data for several purposes within this analysis. It was primarily used to obtain demographic and economic indicators for each of the comparison cities. The platform aggregates data from a variety of sources, including the US Census' American Community Survey, Bureau of Labor Statistics, and other proprietary sources.

#### CoStar

CoStar is a commercial real estate data aggregator that provides near real-time analytics for retail, multifamily, office and industrial properties. Willdan accessed CoStar on or before March 2021 to identify market indicators for each of the downtown districts and the cities included in the peer cities

analysis for the year 2020 (except where noted otherwise). Data provided includes statistics such as asking rents, lease rates, sales comparisons, vacancy, and absorption.

#### Placer.ai

Placer.ai is an new web-based tool that provides analysis of consumer behaviors based on anonymous cell phone data. Willdan relied on Placer.ai data to define the "true trade areas" for various retail uses in Downtown Jacksonville and to evaluate the effect of Covid-19 on the retail market.

#### STR Market Summary

Trend Reports display historical monthly, year-to-date, and total-year performance metrics as well as census and sample information for a market, submarket, city, county, or specified set of hotels.

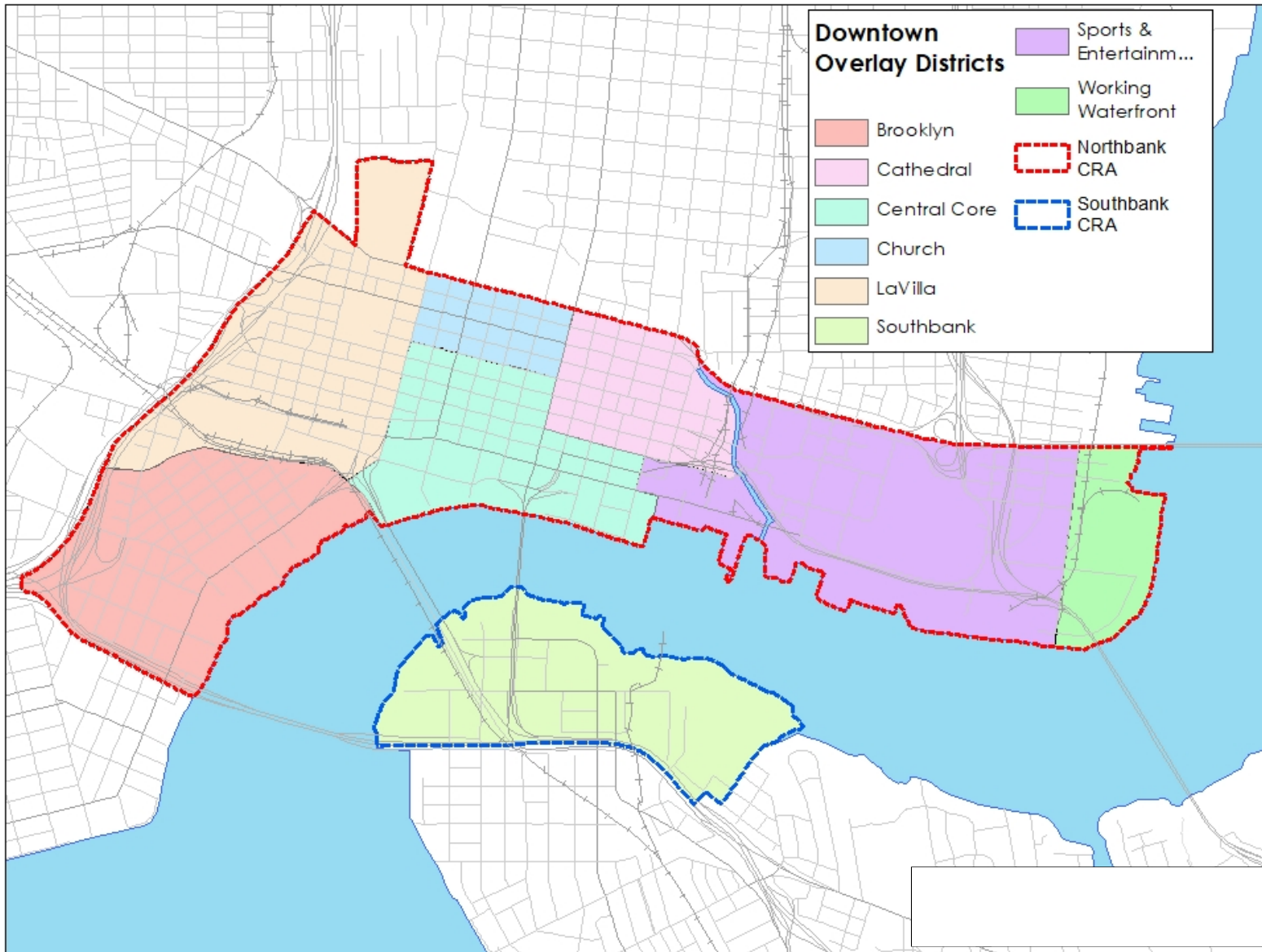
#### EMSI Labor Analytics

EMSI is a labor market analytics firm, using data to drive economic prosperity. EMSI collects and integrates complex labor market data with software tools to measure regional employment, economic trends, and training needs.

#### Downtown Jacksonville CRA District Boundaries

To collect the GIS-based data, Willdan created a GIS shapefile layer defining each Downtown Overlay District using the legal boundaries for each District as codified in Sec. 656.361.2 of the City of Jacksonville's Zoning Code. The creation of the shapefile referenced publicly accessible street centerline, hydrology, and heavy rail datasets to ensure accuracy. The boundaries as analyzed in this analysis are shown in the following figure.

Figure 11: Downtown Jacksonville CRA Districts



## IV. DEMOGRAPHIC AND ECONOMIC PROFILE

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### Introduction

The following baseline demographic and economic profile analyzes Downtown Jacksonville and its economic relationships to the City of Jacksonville, Duval County and the Jacksonville Metropolitan Statistical Area (Jacksonville MSA).

The profile of the region's current and forecasted population trends for the short-term (through 2025) are based on projections for Duval County prepared by the University of Florida's Bureau of Economic and Business Research (BEBR). BEBR's population projections include three scenarios (high, medium and low). The analysis presented herein is based on the medium projection for population growth at the county level and recognizes that the City of Jacksonville population comprises over 95 percent of the countywide total and nearly 60 percent of the MSA. Similarly, the broader regional analysis assumes that the MSA population increases will be proportional to those at the county level.

Notwithstanding the regional context, the focus of this analysis is primarily the Downtown CRAs and their economic indicators. Key variables examined within the District boundaries include current and projected demographic and lifestyle characteristics that serve to measure market demand (spending power), such as population, households, age profiles, and household income levels.

### Data Validity and Limitations

The US Census Bureau's American Community Survey (ACS) is the primary data source used for demographic analysis in this study for several reasons. The data fields are standardized and collected at regular intervals which allows for analysis across geographies and time. The survey covers a wide variety of topics, from income to housing and other related topics. Private sector and academic research both depend heavily on this voluminous data source.

Like any data set that is used to infer conclusions from a population sample, the American Community Survey does have limitations. Most relevant to this analysis is that the smallest geographic areas for which estimates are available are Census Block Groups (BG). While the data can be used to infer conclusions about large geographic areas with great statistical certainty, the smaller the area of interest the greater the margin of error around the inferences. For context, there is only one BG that is wholly contained within the Downtown CRA.

If BGs split across an area of interest, assumptions can be made about how the BG level data can be allocated to the area of interest. Even with carefully reasoned assumptions for allocation that are utilized by the data services underpinning this report, this approach can yield results where the subject geography is influenced by data from adjacent locations, or vice versa.

Considering these limitations, demographic data is presented for each of the BGs, or a portion of, that fall within the Downtown CRAs. Rather than make assumptions to allocate the BG level data to within or outside the CRA,

## Downtown Jacksonville Market Feasibility Study

demographic assumptions are not altered at the BG level so that a reader can evaluate the unaltered data.

Locally collected housing unit and population data is included by district. The data is robust, but unlike ACS data, is not collected at regular intervals. 2014 estimates of multifamily housing units and population were not collected at the District level, so progress in 2020 cannot be compared at that level of detail. Going forward, this data should be collected regularly to facilitate the analysis of progress towards policy goals.

The following table links each Census Block Group to each Downtown Overlay District. Census tracts are divided into BGs, which are comprised of many Census blocks. Data is not reported at the block level. The numbering schema used throughout this document to identify each BG is “Census Tract Number Block Group Number.”

Figure 12 displays the spatial relationships between the Downtown Overlay Districts and the Census Tracts and BGs within each Tract.

When reviewing the data by BG, there are some considerations to keep in mind. First is that some BGs contain significant non-CRA areas which will influence the resulting statistics.

Additionally, BG 10.2 contains the Duval County Jail and two homeless shelters. Observations from these facilities are included in the survey data and affect the resulting statistics. For this reason, household population and multifamily dwelling unit data is reported by District, using data provided by Downtown Vision, Inc. (DVI), which excludes the jail and shelters.

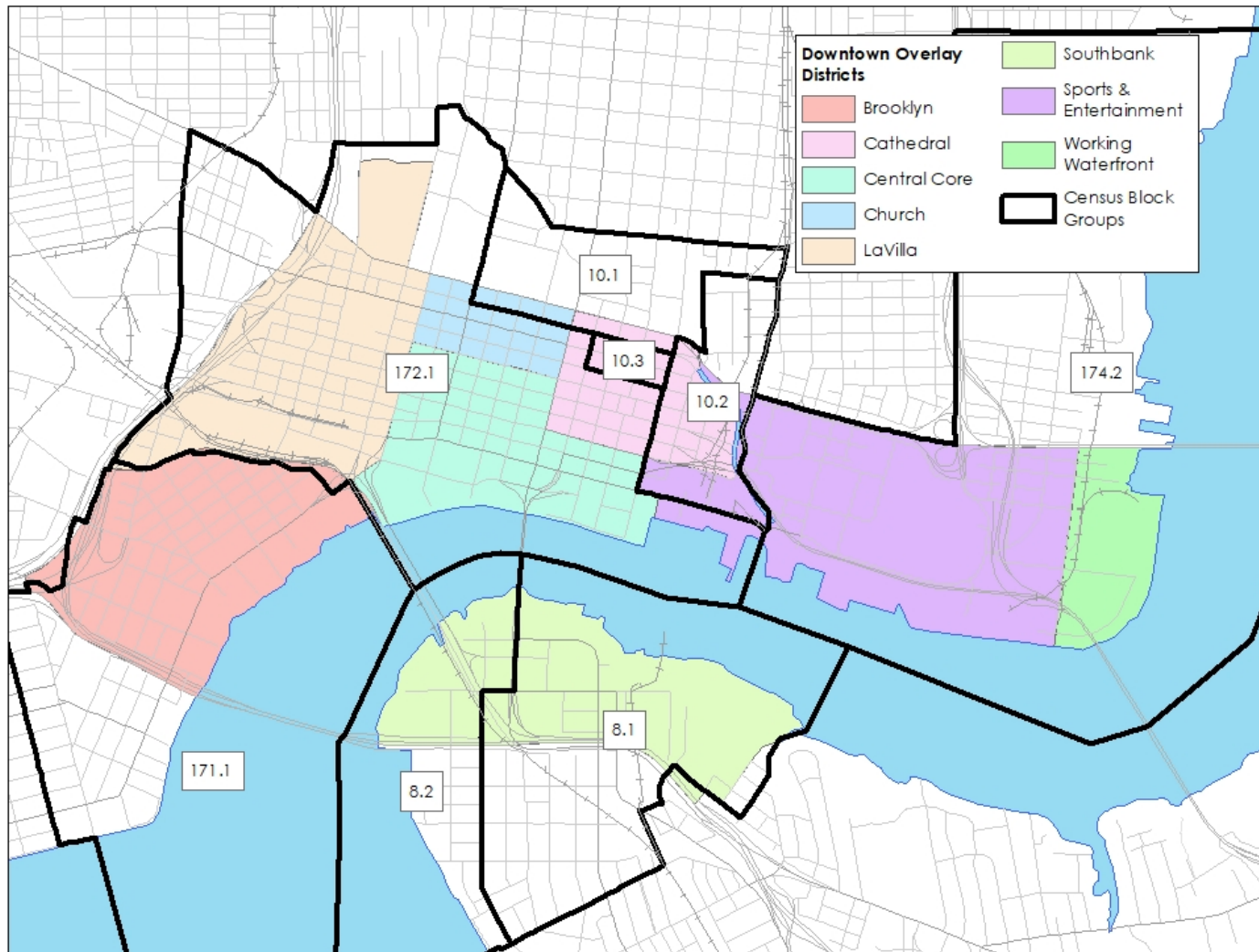
A small portion of the Brooklyn District extends beyond BG 171.1. However, the portion of the Brooklyn District that is outside of BG 171.1 is roadway area and does not contain any dwelling units or businesses.

**Table 2: Census Block Groups Intersected by Downtown Overlay Districts**

Census Tract/Block Group	Intersecting Downtown Overlay Districts
8.1	Southbank (Partial), Non-CRA Areas
8.2	Southbank (Partial), Non-CRA Areas
10.1	Church (Partial), Cathedral (Partial), Non-CRA Areas
10.2	Sports and Entertainment (Partial), Cathedral (Partial), Non-CRA Areas
10.3	Cathedral (BG Completely within District)
171.1	Brooklyn (Partial), Non-CRA Areas
172.1	La Villa (Completely within BG), Central Core (Completely within BG), Church (Partial), Sports and Entertainment (Partial), Non-CRA Areas
174.2	Working Waterfront (Completely within BG), Sports and Entertainment (Partial), Non-CRA Areas

Source: US Community Survey; DIA; Willdan, 2021

Figure 12: Downtown Overlay Districts and Census Block Groups



Source: US Community Survey; DIA; Willdan, 2021

### Regional Population Growth and Trends

The following section examines regional demographic trends. Estimates are provided for the Jacksonville Metropolitan Statistical Area (MSA), Duval County and the City of Jacksonville. For uniformity of presentation, the time periods analyzed are 2014, consistent with the base year of prior DIA documents, and 2019, the most current ACS data.

#### Population

The following table presents estimates of population in 2014, 2019, 2020 and a projection for 2025. For each geography except for Downtown Jacksonville, 2014 and 2019 estimates come from the ACS. Population estimates for Downtown Jacksonville and their sources are discussed in detail in subsequent sections.

The 2020 estimates for the MSA, County and City are sourced from the University of Florida’s Bureau of Economic and Business Research (BEBR). The projection for 2025 is based on BEBR’s 2025 County projection and assumes that the ratio of population in the MSA and in the City to population in Duval County remain constant, and as noted earlier, using BEBR’s “medium” population projection for Duval County. The 2025 projection for Downtown Jacksonville assumes that population increases at the 8.65 percent average annual rate that occurred between 2014 and 2020.

**Table 3: Population Trends by City, County and MSA, 2014-2025**

Population	2014	2019	2020	2025
<b>Jacksonville MSA<sup>1</sup></b>	1,419,127	1,559,514	1,581,345	1,693,769
<b>Duval County<sup>2</sup></b>	897,698	957,755	982,080	1,051,900
<b>City of Jacksonville<sup>3</sup></b>	853,376	911,528	936,250	1,002,812
<b>Downtown Jacksonville<sup>4</sup></b>	3,730	5,648	6,137	9,293

<sup>1</sup> 2014 and 2019 estimates from American Community Survey Table S0101. 2020 estimate from the University of Florida Bureau of Economic and Business Research (BEBR) “Florida Estimates of Population 2020.” Projection for 2025 assumes ratio of population in MSA to population in Duval County remains constant, based on BEBR’s Duval County population projection.

<sup>2</sup> 2014 and 2019 estimates from American Community Survey Table S0101. 2020 estimate from BEBR’s “Florida Estimates of Population 2020.” Projection for 2025 from BEBR’s “Medium” population projection for Duval County from “Projections of Florida Population by County, 2020–2045, with Estimates for 2019. “High” projection for 2025 is 1,118,600 and “Low” projection is 979,800

<sup>3</sup> 2014 and 2019 estimates from American Community Survey Table S0101. 2020 estimate from BEBR’s “Florida Estimates of Population 2020.” Projection for 2025 assumes ratio of population in City to population in Duval County remains constant, based on BEBR’s Duval County population projection.

<sup>4</sup> 2014 estimates identified in Business Investment and Development Strategy, August 2019 by the Downtown Investment Authority, Jacksonville Florida. 2020 estimate identified in 2019-2020 State of Downtown Report, by DVI. Jacksonville. 2019 figure was estimated based on the compound annual growth rate from 2014 to 2020, which was 8.65%. 2025 figure assumes that population growth continues at 8.65% annual growth.

Source: US Community Survey; DIA; Willdan, 2021

## Downtown Jacksonville Market Feasibility Study

### Population by Age

The following table presents population estimates by age, and by race/ethnicity. From 2014 to 2019, population throughout the region increased for people aged 65 and older more rapidly than for the general population. Population growth for those under 18 is lower than the general population.

### Population by Race/Ethnicity

White and African American populations continue to comprise the majority of residents in the region. The MSA contains a greater proportion of white residents than Duval County or the City of Jacksonville. While white residents comprise the majority of the region, the share of white residents decreased in all three geographies from 2014 to 2019. The African American population has maintained its share of total population throughout the region. The Hispanic or Latino population has increased its share of total population throughout the region in the same time period.

### Average Household Size

The following table displays regional ACS housing characteristics for 2014 and 2019. During this period the average household size has decreased throughout the region and across all geographies under study. Households tend to slightly smaller in the County and City, compared to the broader MSA.

### Housing Occupancy

Housing occupancy increased throughout the region from 2014 to 2019. Occupancy is slightly higher in the City and County compared to the MSA.

### Housing Tenure

Housing tenure refers to whether a housing unit is owner occupied, renter occupied or vacant. The proportion of owner-occupied homes increased from 62 to 66 percent within regional MSA from 2014 to 2019. Owner-occupied housing levels in the City and County are both lower at 57 percent each in 2019, representing a one percent increase from the 2014 figure.

### Housing Inventory

Total housing units in the MSA increased by 54,585 from 2014 to 2015. Over two-thirds of this increase occurred outside of Duval County and the City. Single-family detached homes increased by 36,000 units in the MSA, 14,400 units in the City, and 12,600 units in Duval County. The relatively lower unit increase in Duval County reflects the shift away from single-family development and reduction in low-rise units (2-9 units), to higher density (20+unit) multifamily. From 2014 to 2019, these larger multifamily projects (primarily concentrated in the City) increased by 12,441 units, or 41 percent.

Occupancy in non-structural housing units (boats, RVs and vans) increased dramatically by over 500 units in the MSA between 2014 and 2019. Duval County reported a higher increase than the City (308 vs. 72), suggesting a potential indicator of housing insecurity in the broader region.

### Median Household Income

The highest median household income is reported at the MSA level (\$65,880), compared to \$58,415 and \$56,975 at the County and City, respectively. Median household increased uniformly throughout the region between 2014 and 2019, with total increases ranging between 28% to 29%.

Downtown Jacksonville Market Feasibility Study

Table 4: Demographic Characteristic Trends (2014 - 2019)

	Jacksonville MSA				Duval County				City of Jacksonville			
	2014	2019	Net Chg.	% Chg.	2014	2019	Net Chg.	% Chg.	2014	2019	Net Chg.	% Chg.
<b>Total population</b>	1,419,127	1,559,514	140,387	10%	897,698	957,755	60,057	7%	853,376	911,528	58,152	7%
<b><u>Population by Age</u></b>												
<b>Underage 18</b>	324,574	347,895	23,321	7%	204,851	215,545	10,694	5%	197,791	206,135	8,344	4%
<b>18 to 64</b>	892,557	958,004	65,447	7%	578,147	603,834	25,687	4%	547,748	574,563	26,815	5%
<b>65 years +</b>	201,996	253,615	51,619	26%	114,700	138,376	23,676	21%	107,837	130,830	22,993	21%
<b><u>Population by Race/Ethnicity</u></b>												
<b>White</b>	999,839	1,066,937	67,098	7%	548,264	560,489	12,225	2%	508,647	518,116	9,469	2%
<b>Black/African American</b>	308,789	337,751	28,962	9%	269,851	285,600	15,749	6%	267,080	284,385	17,305	6%
<b>American Indian</b>	2,864	5,502	2,638	92%	2,068	3,571	1,503	73%	2,047	3,281	1,234	60%
<b>Asian</b>	52,303	58,498	6,195	12%	40,428	45,052	4,624	11%	39,525	44,551	5,026	13%
<b>Pacific Islander</b>	707	833	126	18%	288	471	183	64%	288	305	17	6%
<b>Some other race</b>	14,665	37,994	23,329	159%	11,482	26,704	15,222	133%	10,815	26,453	15,638	145%
<b>Two or more races</b>	39,960	51,999	12,039	30%	25,317	35,868	10,551	42%	24,974	34,437	9,463	38%
<b>Hispanic or Latino</b>	111,970	148,108	36,138	32%	77,064	100,736	23,672	31%	75,786	97,244	21,458	28%
<b>Share of Total</b>	7.9%	9.5%	25.7%		8.6%	10.5%	39.4%		8.9%	10.7%	36.9%	

Source: American Community Survey 1-Year Estimates, Table DP05, 2014 and 2019; Willdan, 2021

Downtown Jacksonville Market Feasibility Study

Table 5: Select Housing Characteristic Trends (2014 to 2019)

	Jacksonville MSA			Duval County			City of Jacksonville		
	2014	2019	Change	2014	2019	Change	2014	2019	Change
<b><u>Housing Occupancy</u></b>									
Total housing units	615,239	669,824	9%	395,891	418,735	6%	371,254	396,542	7%
Occupied housing units	528,993	584,381	10%	340,985	368,668	8%	320,809	349,171	9%
Vacant housing units	86,246	85,443	-1%	54,906	50,067	-9%	50,445	47,371	-6%
Percent Occupied	86.0%	87.2%	1%	86.1%	88.0%	2%	86.4%	88.1%	2%
<b><u>Housing Tenure</u></b>									
Owner-occupied	328,899	385,770	17%	190,881	210,184	10%	178,353	197,853	11%
Renter-occupied	200,094	198,611	-1%	150,104	158,484	6%	142,456	151,318	6%
<b><u>Units in Structure</u></b>									
Total housing units	615,239	669,824	9%	395,891	418,735	6%	371,254	396,542	7%
1-unit, detached	390,370	426,369	9%	237,966	250,571	5%	224,521	238,963	6%
1-unit, attached	28,756	30,808	7%	19,513	22,918	17%	17,662	19,929	13%
2 units	9,461	7,875	-17%	7,567	5,873	-22%	6,305	4,712	-25%
3 or 4 units	24,652	23,096	-6%	18,506	17,215	-7%	15,643	15,911	2%
5 to 9 units	37,715	33,259	-12%	27,278	22,445	-18%	25,250	21,575	-15%
10 to 19 units	39,721	42,003	6%	32,438	33,781	4%	31,162	33,143	6%
20 or more units	40,616	54,209	33%	32,158	46,197	44%	30,492	42,934	41%
Mobile home	43,764	51,502	18%	20,281	19,427	-4%	20,035	19,119	-5%
Boat, RV, van, etc.	184	703	282%	184	308	67%	184	256	39%
<b><u>Households</u></b>									
Total households	528,993	584,381	10%	340,985	368,668	8%	320,809	349,171	9%
Average household size	2.63	2.61	-1%	2.57	2.53	-2%	2.60	2.54	-2%
<b><u>Median Household Income</u></b>									
	\$51,117	\$65,880	29%	\$45,779	\$58,415	28%	\$44,591	\$56,975	28%

Sources: American Community Survey 1-Year Estimates, Tables DP04 and B19013, 2014 and 2019

## Downtown Jacksonville Market Feasibility Study

### Population Growth and Trends by District

#### Multifamily Residents: 2014-2020

The following table presents multifamily residential estimates for 2014 and 2020. Data from 2014 was not available at the District level, so only the total estimated residents is shown. Assuming growth continues at the same compound annual growth rate of 8.65% that was achieved from 2014 to 2020, Downtown Jacksonville will total 9,293 residents in 2025.

**Table 6: Multifamily Household Population**

District	Estimated Multifamily Household Population (2014) <sup>1</sup>	Estimated Multifamily Household Population (2020) <sup>2</sup>
Brooklyn	n/a	964
Cathedral	1,196	1,088
Central Core	825	1,100
Church	549	346
LaVilla	-	905
Southbank	1160	1,734
<b>Sports and Entertainment</b>	-	-
<b>Working Waterfront</b>	-	-
<b>Total</b>	<b>3,730</b>	<b>6,137</b>
<b>Percent Change - 2014 - 2020</b>		<b>165%</b>

<sup>1</sup> Page 63, Business Investment and Development Strategy, 2014, Downtown Investment Authority, Jacksonville Florida. Population allocated to each District based on share of housing units from Table 7:

<sup>2</sup> Assumes 1.59 residents per multifamily unit, including townhomes.

Source: Business Investment and Development Strategy, 2014, DIA; 2019-2020 State of Downtown Report, DVI; Willdan, 2021

#### Multifamily Units: 2014-2020

The following table provides multifamily housing estimates for 2014 and 2020. Data from DVI's 2015 State of Downtown Jacksonville was used to estimate the number of multifamily dwelling units, by District. Note that townhomes are considered multifamily units for the purposes of data collection.

**Table 7: Multifamily Housing Units**

District	Multifamily Housing Units Inventory (2014) <sup>1</sup>	Multifamily Housing Units Inventory (2020) <sup>2</sup>
Brooklyn		
Cathedral	-	605
Central Core	703	683
Church	485	690
LaVilla	323	217
Southbank	-	568
Sport and Entertainment	682	888
Working Waterfront	-	-
<b>Total</b>	<b>2,193</b>	<b>3,851</b>
<b>Percent Change - 2014 - 2020</b>		<b>76%</b>

<sup>1</sup> State of Downtown Jacksonville, 2015, DVI.

<sup>2</sup> 2019-2020 State of Downtown Report, DVI. Includes townhomes.

Note: Cathedral District unit count is reduced by 700 units to reflect a publication error identified in the 2015 State of Downtown Report.

Source: State of Downtown Jacksonville, 2015, DVI; 2019-2020 State of Downtown Report, DVI; Willdan 2021

### Demographic Trends by Census Block Group

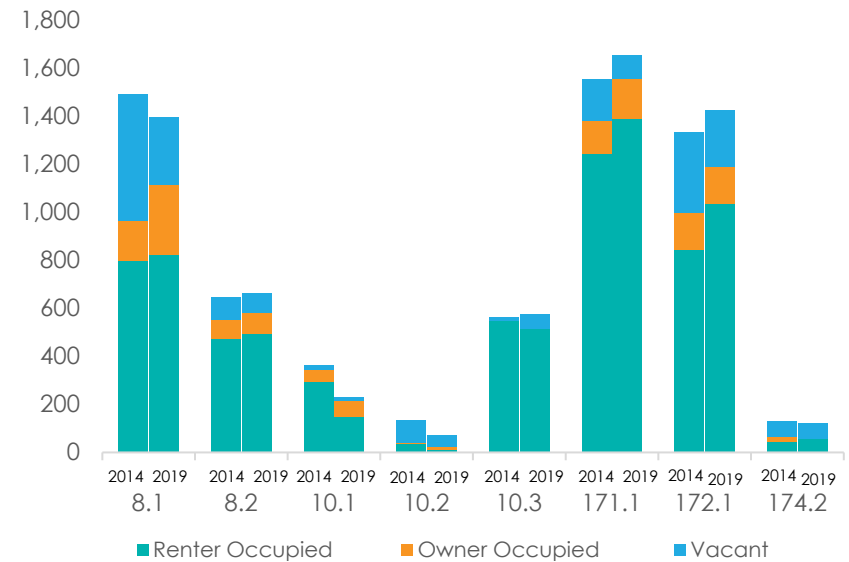
Census Block Groups, the smallest geography reported by the ACS, was analyzed to evaluate demographic and economic trends in an area that best approximates the geography of the city districts under study. As noted in the data limitations section, these geographies do overlap district boundaries and include adjacent areas outside of the study area (see Figure 12 on page 13). Nonetheless, there is sufficient alignment to gather insights on the characteristics of the underlying Districts. The following sections provide estimates for 2014, to be consistent with the base year of prior DIA documents, and for 2019, the most recent year that ACS data is available for. Going forward, the DIA can collect ACS data annually at the BG level to track demographic trends in Downtown Jacksonville. Appendix II contains tables that displays all the data and assumptions supporting the charts the charts in this section.

*Note that BG 10.2 contains the Duval County Jail and two homeless shelters. Observations from these facilities are included in the survey data and affect the resulting statistics.*

#### Housing Tenure: 2014-2019

Housing tenure refers to whether a housing unit is owner occupied, renter occupied or vacant. presents housing tenure for each BG that intersects the Downtown districts. Review the introduction to this report for the listing of Districts and their corresponding BGs.

Figure 13: Housing Tenure by Census Block Group, 2014 and 2019



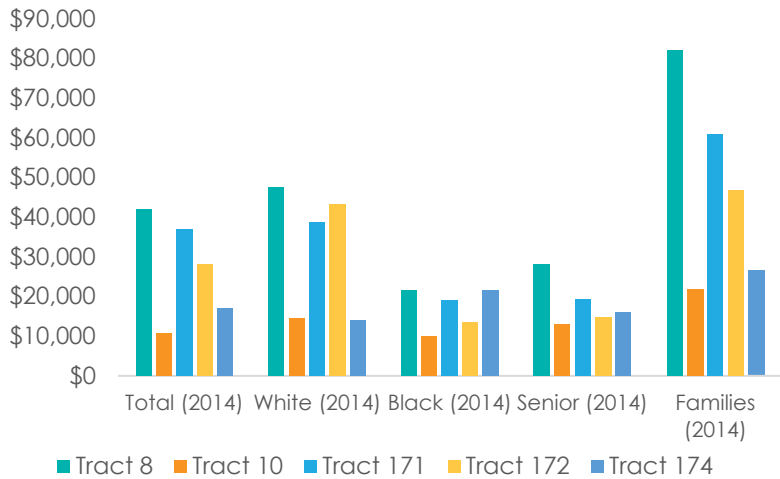
Source: American Community Survey; Willdan, 2021

#### Households by Income: Net Change - 2014 & 2019

ACS data regarding household income is only available at the Census Tract level. Figure 14 presents median household income data for each Census Tract that intersects the Downtown districts for 2014. Figure 15 presents the same data for 2019. Data is provided for all households, white households, black households, senior households and for households comprised of married couples and families, where available. Generally, white households in the Downtown BGs have significantly higher median incomes compared to black households. Married couples/families have the highest incomes of all the demographics included in the comparison.

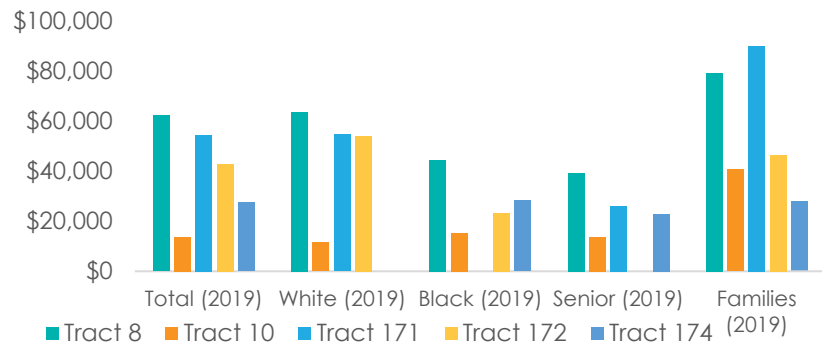
## Downtown Jacksonville Market Feasibility Study

**Figure 14: Median Household Income by Census Tract, 2014**



Source: American Community Survey; Willdan, 2021

**Figure 15: Median Household Income by Census Tract, 2019**



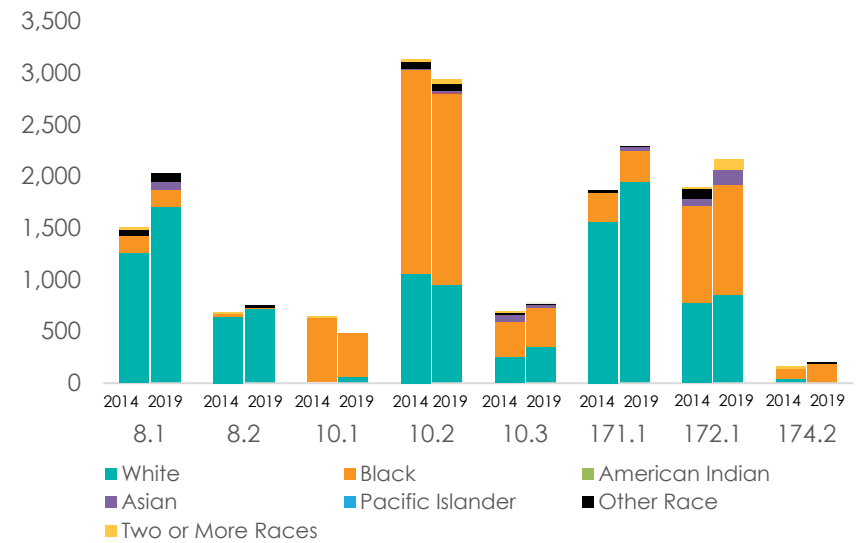
Note: ACS did not provide estimates for median household income for white households in Tract 174, black households in Tract 171 and senior households in Tract 172 in the 2019 estimates.

Source: American Community Survey; Willdan, 2021

**Population by Race/Ethnicity: Net Change – 2014 & 2019**

Whites and African Americans predominately comprise the Downtown Jacksonville population. Figure 16 compares the racial and ethnic makeup of each BG's population in 2014 and 2019.

**Figure 16: Population by Race and Ethnicity by Census Block Group, 2014 and 2019**



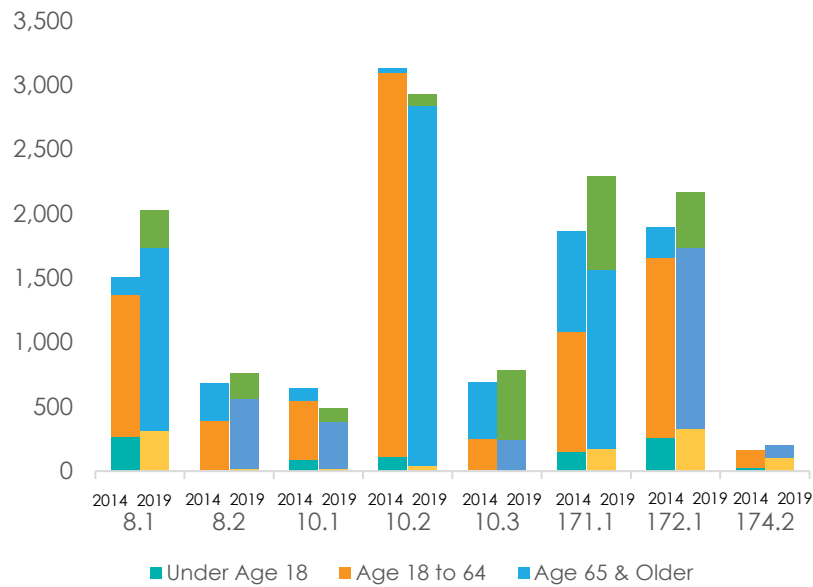
Source: American Community Survey; Willdan, 2021

## Downtown Jacksonville Market Feasibility Study

### Population by Age: Net Change: 2014 & 2019

Figure 17 compares the population of each BG in terms of residents under the age of 18, those between 18 and 64 and those 65 and above in 2014 and 2019.

**Figure 17: Total Population by Age by Census Block Group, 2014 and 2019**



Source: American Community Survey; Willdan, 2021

## Economic Base: Employment Characteristics

### Employment Overview

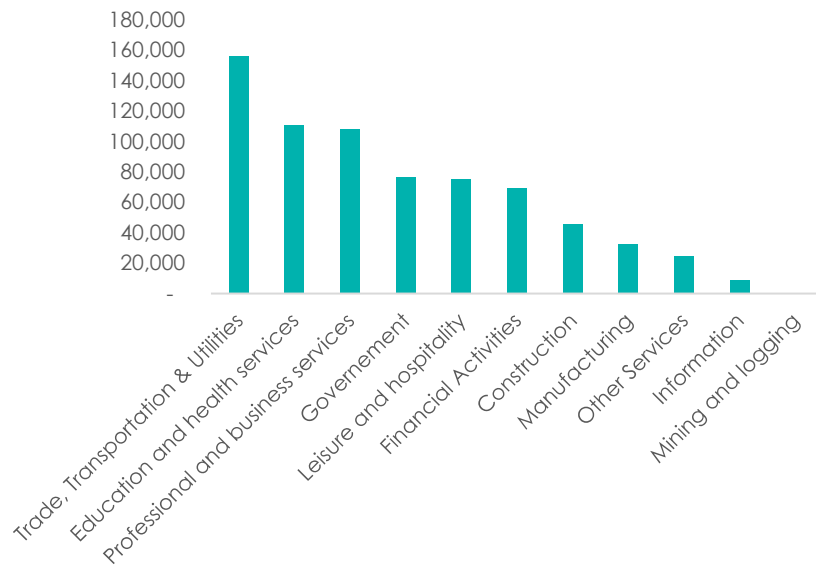
The Jacksonville MSA is comprised of five counties including Duval, Baker, Clay, Nassau and St. Johns. The U.S. military, government transportation and distribution, financial services, and health care industries form the core of the area's economic base.

### Employment Overview

The following table displays the Jacksonville area nonfarm employment, by sector for January 2021. The Trade, Transportation and Utilities, Education and Health Services and Professional and Business Services are the three leading sectors of the Jacksonville metropolitan economy according to number of jobs. The Government and Leisure and Hospitality sectors and Financial Activities follow.

It is important to highlight the economic engine powered by the Government sector which includes Military personnel. The region has about 75,000 active duty, reserve and civilian personnel, accounting for 14% of the area's workforce. Jacksonville is home to two important U.S. Navy facilities. Naval Station Mayport, home to the Navy's 4th Fleet, is a seaport and air facility that employs about 13,000 military personnel.

Figure 18: Jacksonville Area Nonfarm Employment by Sector



Source: U.S. BLS, Current Employment Statistics.

Jacksonville is home to two important U.S. Navy facilities. Naval Station Mayport, home to the Navy’s 4th Fleet, is a seaport and air facility that employs about 13,000 military personnel.

Naval Air Station Jacksonville, on the city’s Westside along the St. Johns River, has about 12,000 military personnel and 7,000 civilian employees.

A third U.S. Navy base, Naval Submarine Base Kings Bay in nearby Southeast Georgia, brings another 5,000 military and 2,000 civilian employees to the region.

### Jacksonville Region Defense Industry Impact:

- 124,000 JOBS
- \$4.9 BILLION Direct Defense Spending
- 6,000+ Aerospace Industry Employment
- 100 Aerospace firms operate in the region.

## Jacksonville Region Defense Industry Assets

Away from the water, the **Camp Blanding Joint Training Center** in Clay County is a major training site for the Florida National Guard.

Jacksonville is home to the **Fleet Readiness Center Southeast**, the region's largest industrial employer with a workforce of about **3,000 civilian employees, 1,000 military personnel and 1,000 contractors**.

Jacksonville's port has the **U.S. Marine Corps' Blount Island Command**, which provides prepositioning services for the Marines and **employs nearly 1,000**.

The military provides an important training ground for businesses in the region, as many veterans decide to stay in Northeast Florida after retirement. More than **3,000 veterans** a year join the **region's workforce**.

Northeast Florida's military background has spawned a growing **aerospace industry** in the region, with many major **defense contracts** taking advantage of the **region's assets**.

**Northrop Grumman** is St. Johns County's largest corporate employer with more than **1,000 employees** at its facility at **Northeast Florida Regional Airport** in St. Augustine.

The area's **largest hub** of private **aerospace** activity is the **Cecil Commerce Center**, located on Jacksonville's Westside at the site of what once was the city's third naval air station.

The **large runways** at Cecil make it ideal for major **aerospace operations**. Its biggest employer is **Flightstar Aircraft Services**, which employs more than **1,000 people** in aircraft maintenance, repair, and overhaul services.

*Source: Florida Trend, "A Mighty Military Presence" – The military provides an important training ground for businesses in Northeast Florida and has spawned a growing aerospace industry. (Mark Basch, 2017)*

**LSI** is a simulation and training company started by two U.S. Navy veterans nearly 40 years ago and now employs about **500 people** at Cecil, with nearly half of those **military veterans**.

According to Dave Risha, LSI Director of Business Development:

**"There is a lot of military expertise available in the Jacksonville area."**

**"Access to quality health care and the appealing lifestyle in Northeast Florida entice veterans to stay in the region after retirement."**

**"It's a good place to be when you separate from the military".**

**Cecil** is equipped to handle **spaceflight**. **Cecil Spaceport** is the only licensed **horizontal launch** commercial **spaceport** on the **East Coast**.

Other aerospace firms include:

Brazil-based **Embraer**, which is building its **A-29 Super Tucanos aircraft** at **Jacksonville International Airport**.

**Kaman Aerospace**, which is producing commercial airplanes at its facility at **Imeson Industrial Park**, the site of **Jacksonville's original public airport**.

## Downtown Jacksonville Market Feasibility Study

### Unemployment

From 2013 to 2019 the unemployment rate in the MSA was steadily decreasing, coinciding with steadily increasing labor force size, reaching a low of 3.1% in 2019. This healthy economic trend was significantly impacted by the onset of the Covid pandemic when the decrease in employment levels resulted in a mid-year spike to 12.1 percent and the annual unemployment rate increase to 6.1 percent. The unemployment figure would have been even higher if the labor force did not decrease by nearly 40,000 people. Most recently, total unemployment is decreasing, the labor force is on the rise, employment is rebounding, and unemployment rates are decreasing – all positive near-term economic indicators.

**Table 8: Labor Force and Unemployment, Jacksonville MSA**

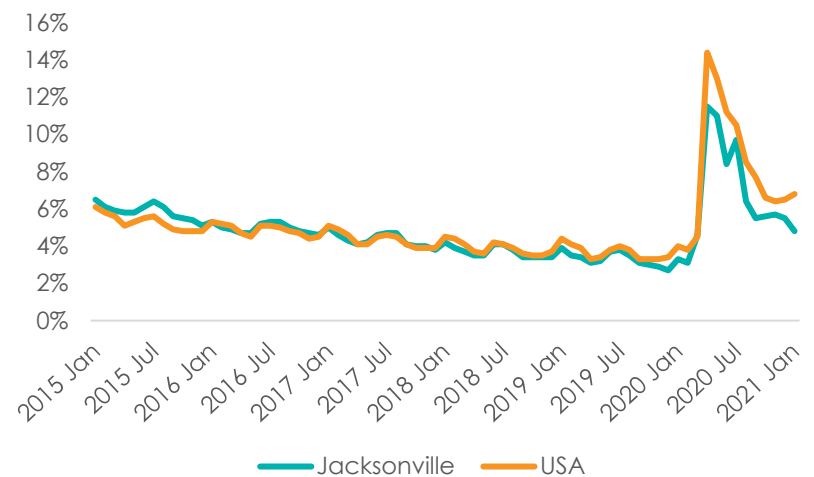
Year	Labor Force	Employment	Unemployment	UE Rate
2013	709,351	659,773	49,578	7.0
2014	715,253	670,631	44,622	6.2
2015	718,820	680,220	38,600	5.4
2016	735,105	701,068	34,037	4.6
2017	759,045	728,247	30,798	4.1
2018	770,771	743,987	26,784	3.5
2019	785,189	760,810	24,379	3.1
2020	768,164	721,687	46,478	6.1
2021 <sup>1</sup>	786,210	751,797	34,413	4.4

<sup>1</sup> Only includes January.

Source: Bureau of Labor Statistics; Willdan; 2021

The following figure provides a comparison of the unemployment rate in the City of Jacksonville to the nation. Historically, the rates have tracked closely. However, since the Covid-19 pandemic commenced, the City’s unemployment rate has generally fallen below the national level. Early indications from 2021 suggest that the City’s rate continues to drop, while the national rate is flattened or even increased slightly.

**Figure 19: Jacksonville vs. US Semi-Annual Unemployment Rate (2015-2021)**



Source: Bureau of Labor Statistics; Willdan; 2021

## Downtown Jacksonville Market Feasibility Study

### Major Private Employers

Major employers in the area include several healthcare providers, Bank of America and Southeastern Grocers. These seven employers employ nearly 46,000 workers in the area.

**Table 9: Jacksonville Area Largest Private Employers**

Company	Employees
Baptist Health	10,650
Bank of America	7,700
Mayo Clinic	6,400
Southeastern Grocers	5,700
Florida Blue	5,700
Ascension St. Vincent's	5,400
UF Health	4,200

Source: <https://jaxusa.org/tools-resources/top-employers/>

The professions that are projected to generate the most jobs within the 5-year time horizon are generally consistent with the current dominant job sectors in the region: trade/warehousing, medical services, education, professional services, government, and hospitality. The following table displays the top ten sectors for projected job growth in Duval County through 2025.

**Table 10: Duval County Top Ten Projected Jobs by Sector, 2020 to 2025**

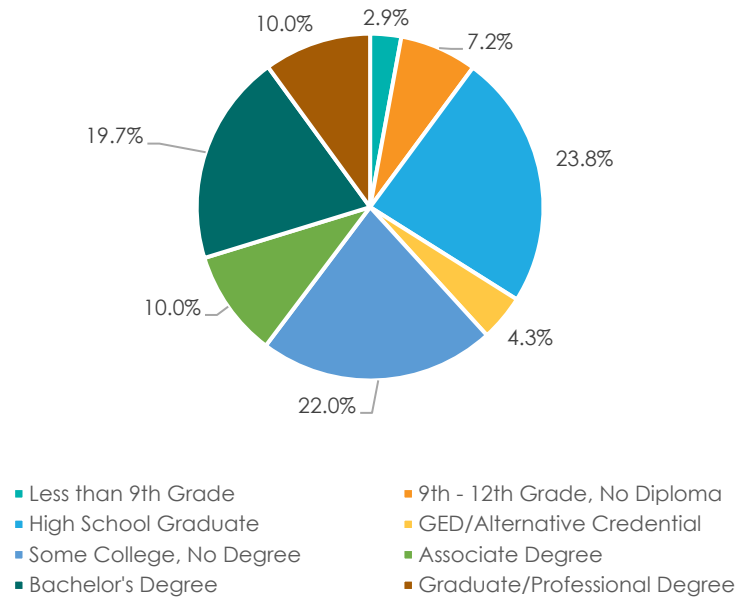
Jobs by Sector	Projected Increase in Jobs
General Warehousing and Storage	5,864
Offices of Physicians (except Mental Health Specialists)	2,895
General Medical and Surgical Hospitals	2,115
Commercial Banking	1,519
Elementary and Secondary Schools (Local Government)	1,228
Full-Service Restaurants	1,129
Colleges, Universities, and Professional Schools (State Government)	1,059
Custom Computer Programming Services	897
Home Health Care Services	744
Direct Health and Medical Insurance Carriers	718

Source: Emsi, 2021

### Educational Attainment

Current data on attained education levels highlight a smaller pool of residents with college degrees typical of professional office jobs, a segment of employment the City desires to expand. The percentage of the population with a bachelor's degree or higher totals 29.7%, a figure slightly lower than the national average, of 33%.

Figure 20: City of Jacksonville 2020 Population 25+ by Educational Attainment



Source: ESRI; Willdan, 2021

### Employment Projections

Duval County is projected to add over 33,000 jobs from 2020 to 2025, an increase of 5.8%. The following table displays the annual project projections.

Table 11: Duval County Employment Projections, 2020 to 2025

Year	Jobs
2020	577,492
2021	587,013
2022	594,880
2023	601,587
2024	607,428
2025	610,967

Source: Emsi; Willdan, 2021

### Downtown Jacksonville Labor Force Assessment

The 456,000 individuals in the Jacksonville labor force provide a variation in the talent pool to support Jacksonville businesses. However, there are more jobs available than residents to fill them.

Only 28% of Jacksonville’s resident labor force leave the City to find opportunities elsewhere. These data illustrate a need to support the growth of existing businesses. According to Emsi job posting data, the hardest to fill jobs are healthcare practitioners, followed by sales workers and management level positions. To a lesser degree, business and financial positions have fewer completions, along with healthcare support positions. Registered Nurses are the hardest position to fill. This is a national problem, however, considering healthcare is the largest employing industry in Duval County, this may exacerbate the Jacksonville market.

## Downtown Jacksonville Market Feasibility Study

**Table 12: Worker Characteristics, City of Jacksonville (2018)**

Worker Characteristics	Outflow	Inflow	Interior Flow <sup>1</sup>
Aged 29 or younger	26.8%	22.0%	22.5%
Aged 30 to 54	52.6%	55.8%	55.2%
Aged 55 or older	20.6%	22.2%	22.4%
Earning \$1,250 per month or less	27.3%	21.0%	21.9%
Earning \$1,251 to \$3,333 per month	36.7%	30.8%	38.8%
Earning More than \$3,333 per month	36.0%	48.2%	39.3%
"Goods Producing" Industry Class	9.7%	12.9%	10.8%
"Trade, Transport & Utilities" Industry Class	26.1%	24.9%	21.0%
"All Other Services" Industry Class	64.2%	62.2%	68.2%

<sup>1</sup> Interior flow jobs are internal jobs filled by residents.

Source: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics

The data also suggest that there are more workers commuting into Jacksonville for higher pay than the workers leaving for less pay (accommodation, food services and retail jobs). Jacksonville residents who also work in the City are similarly higher paid. The finance and insurance sector appears to be fueling the influx of outside workers at higher pay and, potentially, management type positions in other sectors.

The following table indicates that there are more jobs than residents to fill them and, therefore, are being filled by workers outside the area. Furthermore, there appears to be a large gap in the number of average annual openings and regional completions (see Figure 21), indicating an opportunity for additional training programs in these areas of focus. Some of the occupations do not have regional completions tied to them as they most likely do not require formal training, however, programs such as WIOA and other state training programs can address such training assistance.

Roughly 38% of Duval County residents hold only a high school diploma or lower, compared to 40% statewide and 38% nationally. The share of individuals who have some college but no degree is higher than the state and national averages, indicating a more skilled workforce. The share of bachelor's degree earners and higher educational levels is on par with the state but nearly three percentage points lower than the nation—30.6% in Duval County compared to 33% nationwide. These data align with the composition of the top occupations in Duval County. The top occupations validate that the largest employing industries require more entry level positions. Furthermore, of the top 20 occupations, 12 earn below the median wage for the County—\$17.68 per hour

Table 13: Workforce and Training Gaps, Duval County (2020)

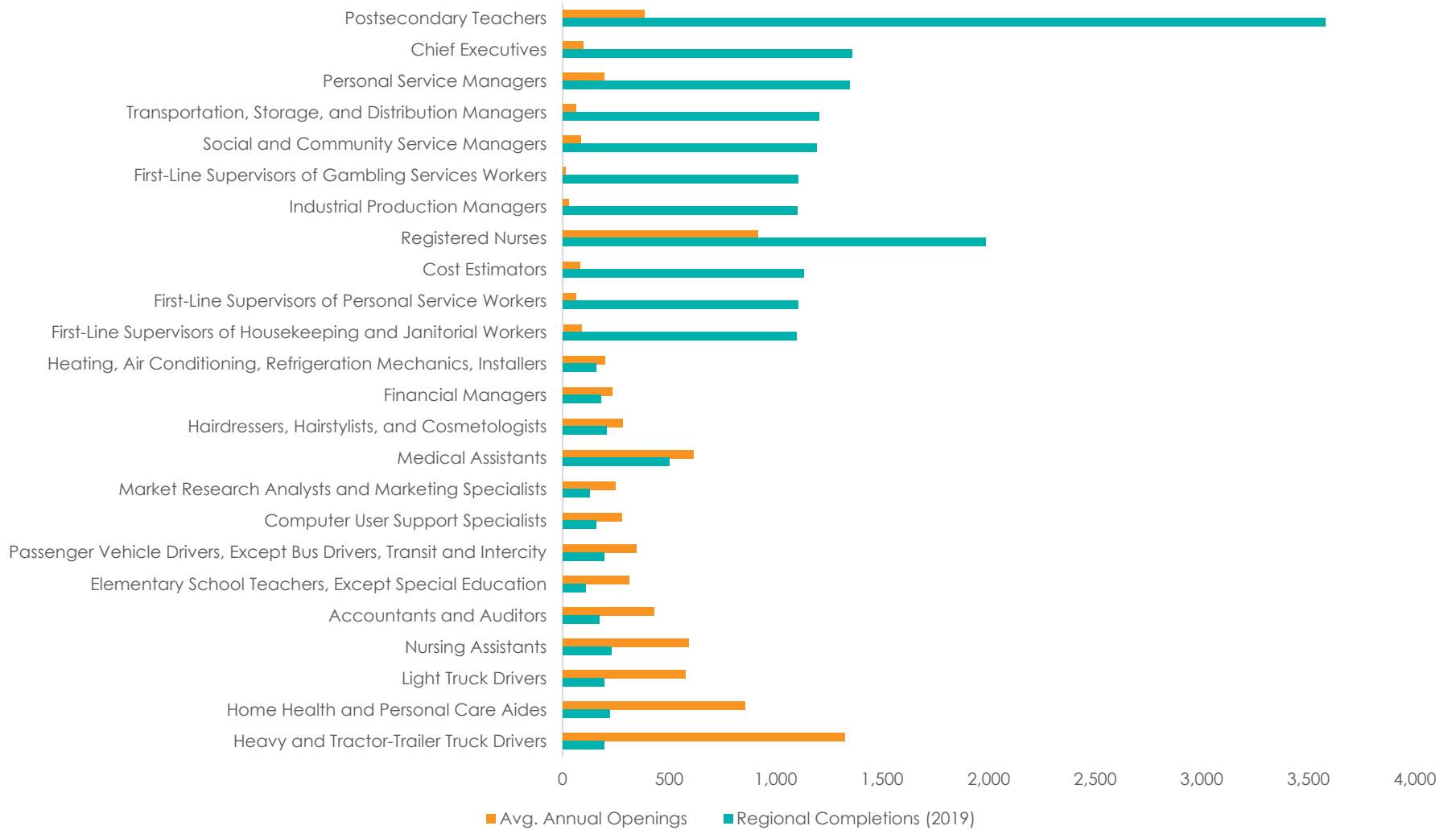
SOC	Description	Jobs	Available Workforce (Resident Workers)	Surplus/Gap (jobs less resident workers)	Median Hourly Earnings	Avg. Annual Openings	Regional Completions (2019)	Surplus/Gap (completions less annual openings)	Job Postings
53-3032	Heavy & Tractor-Trailer Truck Drivers	10,692	8,341	2,350	\$20.13	1,325	195	(1,130)	7,149
13-1198	Project Management & Business	6,703	5,165	1,539	\$28.97	674	0	(1,348)	1,118
43-1011	First-Line Supervisors of Office & Administrative Support Workers	7,512	6,023	1,489	\$25.90	753	46	(1,461)	2,609
33-9032	Security Guards	5,961	4,574	1,387	\$11.68	797	0	(1,594)	961
43-6014	Secretaries & Admin Assistants, except Legal, Medical, & Executive	6,494	5,458	1,036	\$16.91	685	0	(1,369)	1,440
31-9092	Medical Assistants	4,307	3,323	985	\$15.88	616	501	(115)	859
13-2011	Accountants & Auditors	4,485	3,603	882	\$29.76	428	174	(254)	2,048
47-2061	Construction Laborers	4,800	3,933	868	\$14.74	570	0	(1,141)	393
47-2111	Electricians	2,947	2,081	866	\$21.84	374	34	(714)	604
31-1131	Nursing Assistants	4,984	4,254	729	\$13.03	590	228	(362)	891

Source: The Metts Group; Emsi Labor Analytics; Willdan, 2021

**In 2020, zero percent (0%) of Project Management and Business jobs were filled in the region. While it is certain that the Covid-19 on new hires and willingness to apply for a new job if receiving Federal Covid-19 relief benefits is an unprecedented impact on historical employer/workforce behaviors, the lack of regional completions in this sector is notable given the desire to attract a white-collar workforce to the City.**

Downtown Jacksonville Market Feasibility Study

Figure 21: Gap between Annual Job Openings and 2019 Regional Educational Program Completions, Duval County



Source: The Metts Group; Emsi Labor Analytics; Willdan, 2021

## Downtown Jacksonville Market Feasibility Study

**Table 14: Top 20 Occupations, Duval County (2020)**

Occupation	Jobs	Median Hourly Wage
Customer Service Representatives	22,114	\$ 16.77
Laborers and Freight, Stock, and Material Movers, Hand	15,527	\$ 13.31
Retail Salespersons	14,039	\$ 11.45
Fast Food and Counter Workers	12,498	\$ 9.62
Registered Nurses	12,242	\$ 30.35
Office Clerks, General	11,316	\$ 15.60
Cashiers	11,216	\$ 10.94
Heavy and Tractor-Trailer Truck Drivers	10,692	\$ 20.13
General and Operations Managers	8,738	\$ 42.22
Stockers and Order Fillers	8,715	\$ 12.78
Waiters and Waitresses	8,134	\$ 9.57
First-Line Supervisors of Office and Administrative Support Workers	7,512	\$ 25.90
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	6,974	\$ 11.32
Project Management Specialists and Business Operations Specialists, All Other	6,703	\$ 28.97
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	6,494	\$ 16.91
Security Guards	5,961	\$ 11.68
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	5,024	\$ 25.45
Nursing Assistants	4,984	\$ 13.03
Bookkeeping, Accounting, and Auditing Clerks	4,855	\$ 19.00
Maintenance and Repair Workers, General	4,848	\$ 17.83

**Source: The Metts Group; Emsi Labor Analytics; Willdan, 2021**

## Downtown Jacksonville Market Feasibility Study

Employment in office related industries comprise roughly 30% of total employment in Duval County (not including healthcare and social services). According to the most recent week of data from the U.S. Census Household Pulse Survey, approximately 33% of adults in Florida are teleworking since the onset of the pandemic. While this may not bode well for the office real estate market at this time, it is expected to rebound as the recovery sets in.

Engineering services comprise a large portion of the professional and technical services market. Such services coupled with the large healthcare and financial sector presence in Jacksonville may shed some light on the cybersecurity industry. This industry has room to grow in the Jacksonville region given the proximity to key industry giants and geographic areas with cyber hubs (e.g., Tampa; Augusta, GA, etc.). The large demand for IT workers—as indicated by the 16,400 job postings in 2020, nearly 1,400 average annual openings, and over 3,400 influx of outside worker—also suggest that the IT industry needs such talent.

**Table 15: Jacksonville Workforce SWOT**

Strengths	Weaknesses
<p><b>Strong economic base (more jobs than residents to fill)</b></p> <p><b>Healthcare and financial hub</b></p> <p><b>Trained/skilled former military workforce</b></p>	<p><b>IT talent</b></p>
Opportunities	Threats
<p><b>Current industry composition provides opportunity for spinoff activity (e.g., cyber)</b></p> <p><b>Programs to help military transition to the private sector</b></p>	<p><b>Risk of losing commuters</b></p> <p><b>Service-based economy</b></p>

<https://careersourcenortheastflorida.com/wp-content/uploads/2020/10/CareerSource-NEFL-Region-8-Eligible-Training-Provider-List-Performance-Reporting-8.4.20.pdf>

**Source: The Metts Group; Emsi Labor Analytics; Willdan, 2021**

## Downtown Jacksonville Market Feasibility Study

Figure 22: Best of Jacksonville

Jacksonville "Best Of"			
Florida #4 Best State to Start a Business (WalletHub, July 2021)	Palm Coast #1 For Places That Are Getting Cheaper to Live (ApartmentGuide.com, November 2020)	#1 Best Metro for Digital Nomads (Zillow/Yelp, April 2021)	Florida #2 For Solar Power Jobs (Business Facilities, July 2020)
Jacksonville #3 Best City for Job Seekers (MoneyGeek, July 2021)	JAX Is Smart City to Watch In 2020 (StateTech Magazine, November 2020)	Jacksonville #1 in Florida for Recent College Graduates (Self/Tampa Bay Business Journals, March 2021)	Florida #2 For Startup Ecosystems (Business Facilities, July 2020)
Jacksonville Ranks Among Top 25 Best Places to Live (U.S. News & World Report, July 2021)	#7 City for Veteran Leadership in Civilian Jobs (LinkedIn, November 2020)	Jacksonville #9 U.S. City with Most Startups (Roofstock, March 2021)	Mayo Clinic Florida #1 Hospital in Florida (U.S. News & World Report, July 2020)
Jax Beach, Fernandina Beach Top 25 Best Beach Towns (WalletHub, June 2021)	JAX Metro #1 Where People Moved, May-Sept '20 (United Van Lines/Webster Pacific, October 2020)	JAX #5 Best U.S. City for Public Parks and Walkability (CommercialCafe.com, August 2020)	Florida #2 Best States for Business (Chief Executive, June 2020)
Jacksonville Top 20 Best City to Start a Business (WalletHub, April 2021)	JAX Top 10 City for Workforce Confidence (LinkedIn, October 2020)	Jacksonville Ranks Among Top 10 Cities for Women in Tech (Smart Asset, February 2021)	Florida 5th Lowest Tax Burden in U.S. (WalletHub, June 2020)
Jacksonville a Top City for Tech Workers (LinkedIn, June 2021)	JAX #1 City in Population Gains During Pandemic (LinkedIn's Economic Graph Research, October 2020)	JAX MSA Top 20 For Female Entrepreneurs, SmartAsset, December 2020	Jacksonville Listed as Top 10 Best U.S. City for Veterans (Business Insider/WalletHub, May 2020)
Florida #2 Best State for Business (Chief Executive Magazine, April 2021)	Jacksonville #2 for Best Places to Live in Florida in 2020, Bankrate, February 2020	Florida #2 Best Taxpayer ROI (WalletHub, March 2021)	

## V. REAL ESTATE MARKET ANALYSIS

### Introduction

The Downtown Jacksonville residential housing market is primarily focused on multifamily and townhome product types. Small pockets of single-family homes exist primarily in the LaVilla and Brooklyn Districts, and throughout the entire Northbank CRA in small quantities.

Going forward development in Downtown will be focused on multifamily product types, so for this reason, the residential market component of this study focused on multifamily product types and does not examine single family development market trends.

Note that the Sports and Entertainment and Working Waterfront Distracts do not currently contain any multifamily properties, so these Districts are excluded from the existing conditions analysis.

### Multifamily Market Indicators

This analysis evaluates four primary multifamily market indicators: asking rents, vacancy rates, 12-month absorption and land value.

Data for these indicators was collected from CoStar as of Q4, 2020, which was the most recent complete quarter at the time this analysis was completed. The CoStar interface allowed for the database to be queried by Downtown District, providing statistics at a high level of detail. The following table summarizes the multifamily indicators.

**Table 16: Multifamily Market Indicators by District, Q4 2020**

	Average Asking Rents per Square Foot <sup>1</sup>				Vacancy	12 Month	Land Values
	Studio	1 Bedroom	2 Bedroom	3 Bedroom	Rates	Absorption	per Sq. Ft. <sup>2</sup>
Brooklyn	\$1.97	\$1.92	\$1.48	\$1.42	3.7%	5	\$ 51
Cathedral	1.00	0.84	1.56	n/a	5.9%	3	51
Central Core	1.95	1.77	1.37	n/a	2.8%	4	22
Church	1.28	1.24	1.63	n/a	6.7%	2	29
LaVilla	1.62	1.26	1.14	1.20	2.4%	3	33
Southbank	2.18	1.85	1.54	1.59	17.0%	53	61

<sup>1</sup> Asking rent 2020 Q4 per CoStar.

<sup>2</sup> Based on the weighted average of land sales within the last five years, as reported by CoStar. Southbank land value based on the weighted average value per square foot from two recent appraisals provided by DIA.

Source: CoStar; Willdan, 2021

### Asking Rents per Square Foot by Number of Bedrooms

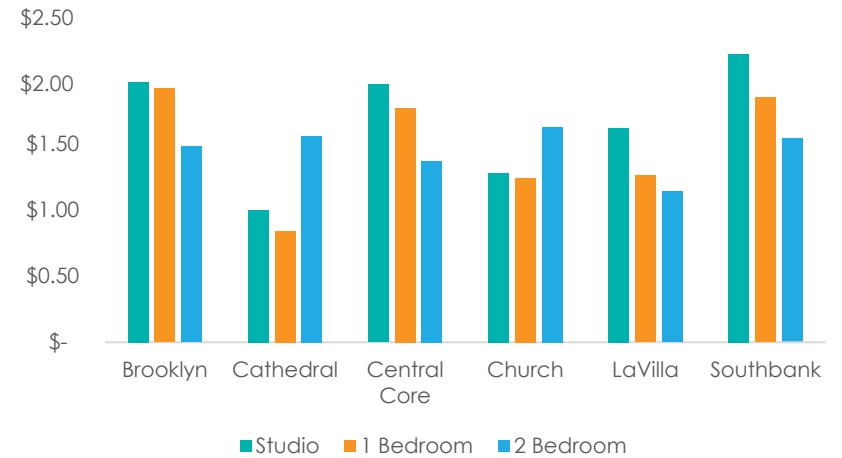
Asking rents peaked in Downtown Jacksonville in Q2 2019 prior to the Covid-19 pandemic. By Q1 2021, asking rents had returned to their pre-pandemic levels.

Asking rents per square foot range from \$0.84 per square foot for a one bedroom in the Cathedral District to \$2.18 for a studio in the Southbank District. The average rent per square foot across all product types is \$1.51. Overall, the Southbank District has some of the highest rents and the LaVilla and Church Districts have the lowest rents.

The high rents in the Southbank District area are at least partially related to two recent project deliveries (SOBA and Broadstone River House) in 2019, which increased the high-end housing stock of that District by a combined 410 units that year.

Lower rents in the Cathedral and LaVilla Districts are a result of a high proportion of affordable housing and rent subsidized properties. Roughly half of the properties in the LaVilla District are classified as either affordable housing, rent subsidized or senior restricted housing.

Figure 23: Average Asking Rents per Square Foot by Bedrooms, by District, Q4 2020



Source: CoStar; Willdan, 2021

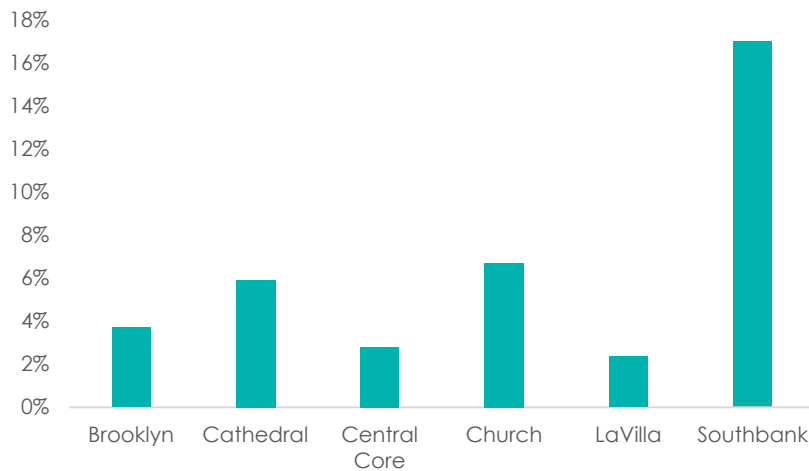
## Downtown Jacksonville Market Feasibility Study

### Vacancy Rates

While boasting high asking rents, the Brooklyn and Southbank Districts also have high vacancy, which can be tied to a short-term oversupply of new housing stock and a Covid-19-related drop in demand for multifamily housing. In the short term, vacancy will likely increase as there is a significant number of multifamily units under construction. However, as the region recovers from the pandemic and inventory is absorbed, vacancy is expected to decrease in the near and mid-term.

In particular, the high vacancy in the Southbank District can be tied to project deliveries of 263 and 147 units in Q2 2019 and Q4 2019, respectively. The vacancy in the District has been decreasing steadily as the units are absorbed in the market.

Figure 24: Multifamily Vacancy by District, Q4 2020



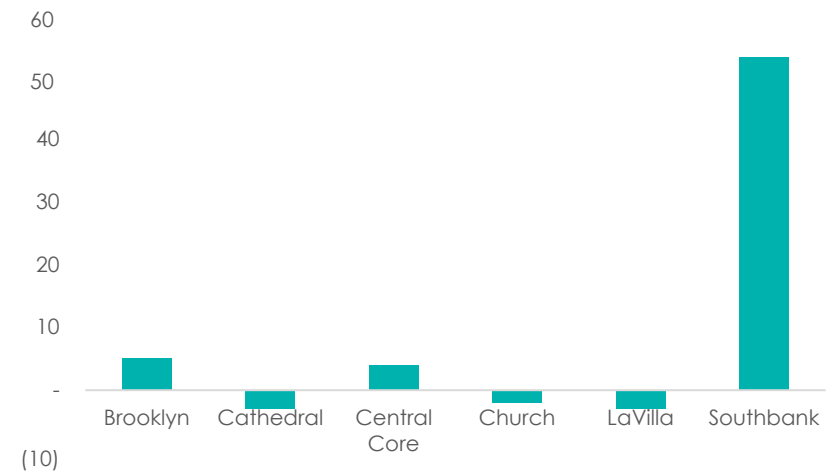
Source: CoStar; Willdan, 2021

Note: Sports and Entertainment and Waterfront Districts do not currently contain any multifamily housing and are excluded from this chart

### Absorption

Absorption is the amount of inventory that is sold or leased during a given time period. Figure 25 displays the 12-month absorption from Q4 2020, by District. Notably, the Southbank District has absorbed the most units, but as detailed in Figure 24, the District also has the highest Downtown vacancy rate due to recent project deliveries. This likely highlights the desirability of the neighborhood (as evidenced by higher rents per sq. ft.) and the challenge of absorbing new deliveries during a pandemic.

Figure 25: 12 Month Absorption, Q4 2020



Source: CoStar; Willdan, 2021

## Downtown Jacksonville Market Feasibility Study

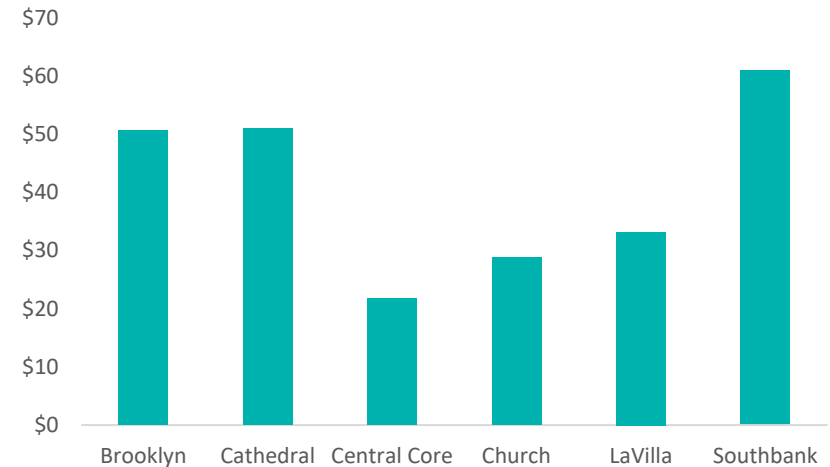
### Land Values

Land values per square foot were estimated using sales comparison data from 2015 through 2020 as reported by CoStar. The zoning of each sold property was examined to determine if any type of residential development could be a permissible use. If so, the sale was included in the sample. The weighted average by land area of the comparisons was calculated and displayed in **Figure 26**.

In 2020, Downtown Jacksonville achieved the highest land sales price per square foot in the Southbank, Brooklyn, and Cathedral Districts. The Southbank land value based on the weighted average value per square foot from two recent appraisals provided by DIA. The land value for all other Districts is based on sales data provided by Costar.

Since the analysis uses a five-year sample of sales comparisons, Districts with more recent sales will show high land values. Consequently, the Cathedral Districts' high land values per square foot can be partially explained by recent sales within that District, and the lower values per square foot are at least partially attributed to older transactions in other districts.

**Figure 26: Weighted Average Land Sales Price per Square Foot (2015 to 2020)**



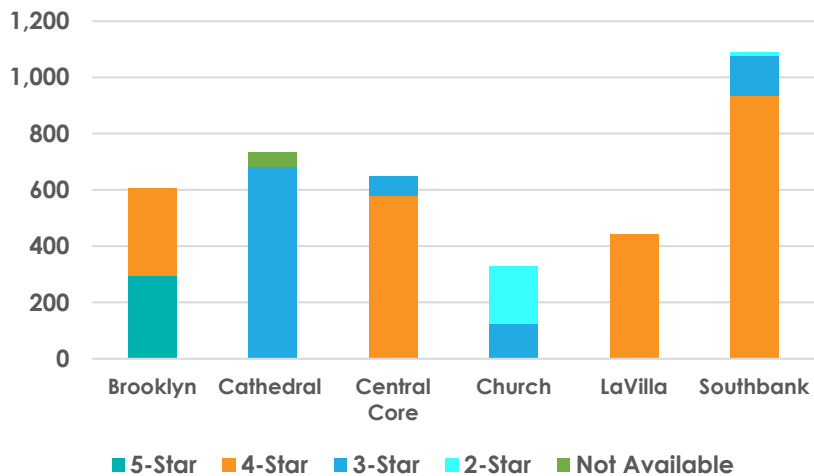
Source: CoStar; Willdan, 2021

### Multifamily Market Supply by District

Figure 27 displays the multifamily units in each District by CoStar star rating. Note that townhomes are not rated by CoStar. Nearly all of properties in the City’s Districts are rated either three or four stars. There is one 5-Star luxury property in the Brooklyn District and one 2-Star property in the Church District.

It is interesting to note that many of the affordable or income restricted properties in the Cathedral District provide 3-star amenities despite the lower price point.

Figure 27: Multifamily Units by Housing Quality, by District



CoStar; Willdan, 2021

The following table lists CoStar’s criteria for rating multifamily properties.

Table 17: CoStar Rating Criteria

Class	Description
<b>5-Star</b>	Luxury finishes and amenities; interior/exterior design to the highest level of specifications
<b>4-Star</b>	Higher end finishes and specifications; desirable amenities; designed/built to competitive and contemporary standards
<b>3-Star</b>	Average finishes and potentially 4-star materials with signs of age; compact layout, not necessarily open floor plan; contextually appropriate; a few shared amenities
<b>2-Star</b>	Below average finishes; adequate and functional design; likely no shared amenities; noticeable aging
<b>1-Star</b>	Uncompetitive; may require significant renovation, possibly functionally obsolete.

CoStar; Willdan, 2021

The following table displays the inventory of existing multifamily residential communities in Downtown Jacksonville, by District. The inventory includes the number of housing units, the year each property opened, if it contains for sale or for lease product types, and the quality of the property and amenities, as reflected by CoStar’s star rating. Note that condominiums, apartments, and townhomes are included in this inventory.

Over the past several years, development (by number of projects) has been slightly more active in the LaVilla District. New construction is dominated by midrise product with unit counts typically between 100 and 150.

## Downtown Jacksonville Market Feasibility Study

**Table 18: Multifamily Residential Supply – Existing Inventory, Q1 2021**

Residential Community	Address	Year Opened	Lease/Sale	District	Quality	# Units
Stevens Duval (Senior Living)	601 N. Ocean St.	N/A	For Lease	Cathedral	3-Star	52
Cathedral Residences (Senior Living)	601 N. Newnan	1967	For Lease	Cathedral	3-Star	632
Parks at the Cathedral	333 E. Church St.	2002	For Sale	Cathedral	N/A	51
The Plaza Condominiums at Berkman Plaza	400 E. Bay St.	2002	For Sale/Lease	Central Core	4-Star	206
The Townhomes at Berkman Plaza	400 E. Bay St.	2002	For Sale	Central Core	4-Star	20
W.A. Knights Loft	115 W. Adams St.	2002	For Lease	Central Core	3-Star	12
11 E. Forsyth	11 E. Forsyth St.	2003	For Lease	Central Core	4-Star	127
Home Street Lofts	1050 Hendricks Ave.	2003	For Sale	Southbank	2-Star	12
The Carling	31 W. Adams St.	2005	For Lease	Central Core	4-Star	100
Residences at City Place	311 W. Ashley St.	2006	For Sale/Lease	Church	2-Star	205
The Metropolitan	421 W. Church St.	2006	For Lease	Church	3-Star	125
San Marco Place	1478 Riverplace Blvd.	2007	For Sale	Southbank	3-Star	141
The Strand	1401 Riverplace Blvd.	2007	For Lease	Southbank	4-Star	295
Churchwell Lofts at East Bay	301 E. Bay St	2008	For Sale	Central Core	4-Star	20
The Peninsula	1431 Riverplace Blvd.	2008	Sale/Lease	Southbank	4-Star	234
220 Riverside	220 Riverside Ave.	2015	For Lease	Brooklyn	5-Star	295
The Brooklyn Riverside	Park St. at Jackson St.	2015	For Lease	Brooklyn	4-Star	310
FSCJ Student Housing (Lerner Building)	20 W. Adams St.	2018	For Lease	Central Core	3-Star	58
Houston Street Manor	Houston St. & Jefferson St.	2018	For Lease	LaVilla	4-Star	72
Lofts at LaVilla	Bay St. & Lee St.	2018	For Lease	LaVilla	4-Star	130
Lofts at Monroe	Monroe St. & Davis St.	2018	For Lease	LaVilla	4-Star	108
The Residences at Barnett	112 W. Adams St.	2019	For Lease	Central Core	4-Star	107
Broadstone River House	1655 Prudential Dr	2019	For Lease	Southbank	4-Star	263
SOBA (San Marco Apartments)	1444 Home St.	2019	For Lease	Southbank	4-Star	143
Lofts at Jefferson Station	799 Water St.	2020	For Lease	LaVilla	4-Star	<u>133</u>
<b>Total</b>						<b>3,851</b>

Source: DVI; Willdan, 2021

## Downtown Jacksonville Market Feasibility Study

### Multifamily Pipeline

DVI reports approximately 772 multifamily housing units currently under construction (as of January 2021), all of which are rental/for lease offerings. Construction activity is currently concentrated in the Brooklyn, Cathedral and Southbank Districts.

Planned multifamily projects total of 2,737 units. Southbank projects total 1,300 units or 47 percent of this planned supply. Smaller concentrations are planned in the Central Core, Church, and Sports and Entertainment Districts.

Table 19: Multifamily Pipeline

CRA District	Under Construction	% of Total
Brooklyn	441	57%
Cathedral	142	18%
Central Core	4	1%
Southbank	185	24%
Church	0	0%
LaVilla	0	0%
Sports and Entertainment	0	0%
<b>Total</b>	<b>772</b>	<b>100%</b>

CRA District	Planned Units	% of Total
Brooklyn	0	0%
Cathedral	140	5%
Central Core	520	19%
Southbank	1,300	47%
Church	398	15%
LaVilla	107	4%
Sports and Entertainment	272	10%
<b>Total</b>	<b>2,737</b>	<b>100%</b>

Source: Jacksonville Downtown Investment Authority; Downtown Vision, Inc.; Willdan, 2021

## Downtown Jacksonville Market Feasibility Study

**Table 20: Multifamily Development Pipeline, 2020**

Description	Address	# Units	Lease/Sale	District
<b>2020 Units Under Construction</b>				
Vista Brooklyn	200 Riverside Ave.	308	For Lease	Brooklyn
Lofts at Brooklyn	Spruce & Jackson	133	For Lease	Brooklyn
Ashley Square Senior Housing	650 N. Newnan St.	120	For Lease	Cathedral
Elena Flats	122 E. Duval St.	4	For Lease	Cathedral
Shipping Container Apartments	412 E. Ashley St.	18	For Lease	Cathedral
225 Laura St. Apartments	225 Laura St.	4	For Lease	Central Core
Southbank Apartments by Ventures	841 Prudential Dr.	185	For Lease	Southbank
<b>Total</b>		<b>772</b>		
<b>2020 Units Proposed</b>				
River's Edge	801 Broadcast Pl.	950	For Lease & Sale	Southbank
JTA Southbank Residential	700 Montana Ave.	350	For Lease	Southbank
Lofts at the Cathedral	325 E. Duval St.	120	For Lease	Cathedral
Ford on Bay	288 E Bay St.	520	For Lease	Central Core
First Baptist Block Development	Beaver, Julia, Ashley and Hogan	170	For Lease	Church
Independent Life Insurance Building	233 W. Duval St.	200	For Lease	Church
Jones Brothers Furniture Building	520 N. Hogan St.	28	For Lease	Church
LaVilla Townhomes	Adams, Johnson, Lee & Forsyth Streets	91	For Sale	LaVilla
Le Mesa Building	905 W. Forsyth St.	16	For Lease & Sale	LaVilla
Doro District	128 A. Philip Randolph Blvd	247	For Lease	Sports and Entertainment
Shipyards and Kids Kampus	Metropolitan Park	25	For Lease & Sale	Sports and Entertainment
<b>Total</b>		<b>2,717</b>		

Source: Jacksonville Downtown Investment Authority; Downtown Vision, Inc.; Willdan, 2021

## Residential Market Findings

The current combination of high vacancy rates, rapid absorption, and relatively higher asking rents in comparison to achieved rents suggest that multifamily housing in the Brooklyn and Southbank Districts are in demand as newly built product continues to be added and absorbed and pipeline development becomes reality. Current activity indicates a substantial number of units will be coming online in these Districts through 2023, which will increase competitive pressure on market rents and negatively impact vacancy rates as the market restabilizes.

This development pattern reflects DIA's developer incentives programs to successfully catalyze activity in Southbank and Brooklyn.

The DIA could explore policies to further scale the use of these incentives to other Districts, such as through more precise targeting or metering. The key will be to extend the recent strength of the market in these Downtown Core districts to the surrounding neighborhoods by fostering implementation of pending Master Plans.

Finally, the Covid-19 pandemic has undoubtedly had a negative impact on the multifamily market, with a national shift toward single family home occupancy that accommodates work-and-school-from-home, with better access to outdoors and more expansive personal space, all of which are more readily available in the suburbs. This trend will likely continue into the near term, with a reversal expected as vaccination levels and health safety confidence increase, while developers and downtowns attempt to provide these assets and amenities.

## Retail Market Overview

### Introduction

This analysis focused on five retail market segments including general merchandising, apparel, dining, grocery, and pharmacy. The analysis evaluates effective trade areas for retail establishments within Downtown Jacksonville, the current supply of available retail types, and key indicators within the retail market.

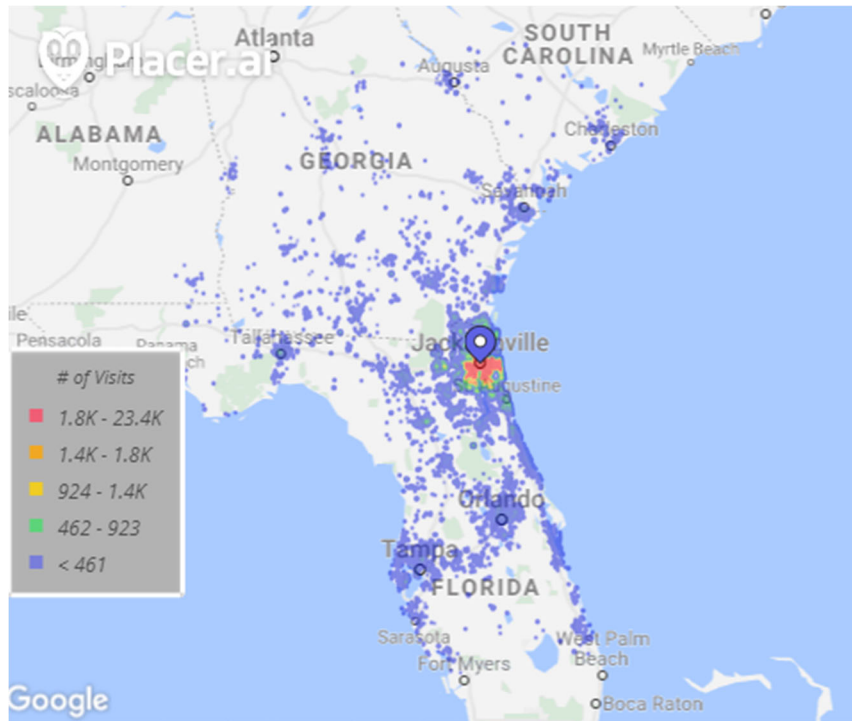
### Trade Area Definitions

Retail within Downtown Jacksonville establishments serve residents, visitors, and employees. Home location of these segments was evaluated using Placer.ai, a data mining company that matches credit card expenditures with residence location. Data was queried for three or more expenditures by individuals during the most recent six months, an industry standard that identifies the core market drawing area. This does not exclude visitors from areas outside of these areas, but rather focuses the results on locations with the greatest market impact.

### Visitor Home Locations

The primary sources of the visitor market were estimated through evaluation of place of residence for expenditures in Downtown Jacksonville CRAs, reflecting the regional draw of the activities and events held there. As illustrated by **Figure 28**, the visitor trade area associated with the Downtown CRAs is primarily clustered in the MSA but extends south beyond Tampa, FL and north along the coast as far as Charleston, South Carolina.

Figure 28: Visitor Drawing Area by Home Location

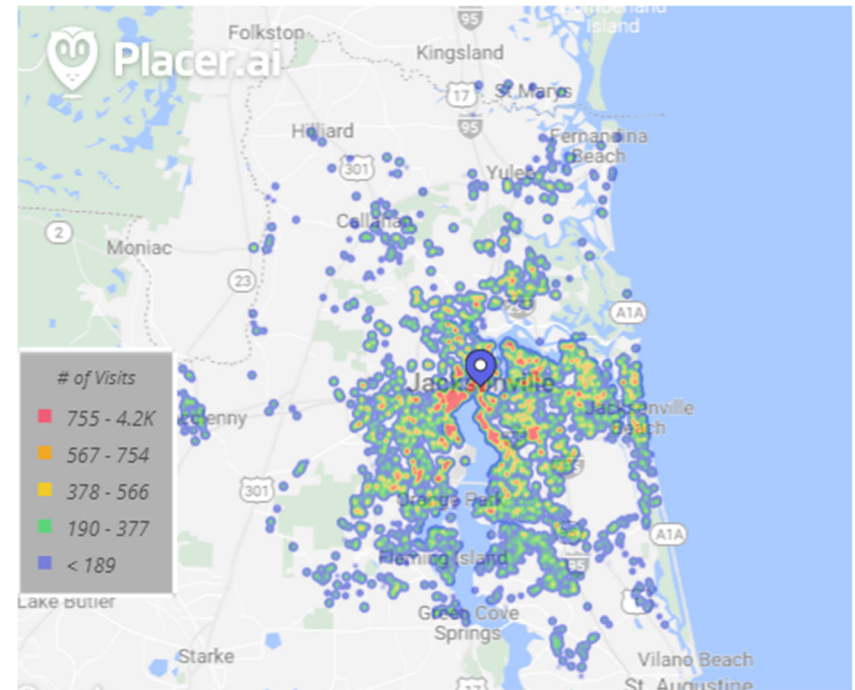


Source: Placer.ai; RMA; Willdan, 2021

### Employment Home Locations

The trade area for the resident market was identified by the home locations of people who work in Downtown. Expectedly, this area is concentrated within the MSA, but generally oriented toward the south. As depicted in **Figure 29**, the employee trade area is expectedly much smaller than the visitor trade area, and generally clustered along each side of the St. Johns River and major roadways.

Figure 29: Employee Trade Area by Home Location



Source: Placer.ai; RMA; Willdan, 2021

### Covid-19 Impact

The impact of the Covid-19 pandemic on retail shopping demand was evaluated using data from placer.ai that provided the ability to quantify monthly visits to downtown Jacksonville both before and after pandemic limitations were implemented in mid-March 2020.

**Figure 30** depicts both monthly visitor and employee trips to downtown Jacksonville between March 2019 and January 2021. While all visitors are not necessarily retail shoppers, the total amount of visits to Downtown Jacksonville can be used as a proxy for retail demand.

As depicted, both measures declined precipitously in the first quarter of 2020. Average monthly visitors prior to the pandemic averaged approximately 1.8 million visitors and 1.2 million employees. Monthly trips to downtown currently total approximately 880,000 visitors, while employees total roundly 500,000, representing a decline of over 50 percent for each group.

**Figure 30: Monthly Visits to Downtown Jacksonville by Employees and Visitors, March 2019 to February 2021**



Source: Placer.ai; RMA; Willdan, 2021

## Downtown Jacksonville Market Feasibility Study

Due to the Covid-19 pandemic quarantine orders and limits on public gatherings, 2020 to 2021 was a very challenging year for the retail sector, especially for brick-and-mortar retailers and restaurants.

While necessity retail (grocery, convenience, drug stores, etc.) were able to sustain sales by limiting space capacity and increasing online grocery “contactless” parking lot and home delivery volumes, restaurants faced a sudden and drastic drop in sales compounded by the high cost of carrying unused existing food/drink inventories, space, and labor costs.

Restaurants pivoted quickly to offer outdoor dining and take out options and others turned their operations into ghost kitchens to generate non-traditional revenue. Ghost kitchens are essentially restaurants without the dining space. Their focus is to sell and fulfill online food orders for delivery using third-party apps like Grubhub, UberEats, and DoorDash, or with their own delivery operation. These ghost kitchens continue to be popular, as they relax demands on real estate and labor for restaurants.

## Retail Market Indicators by District

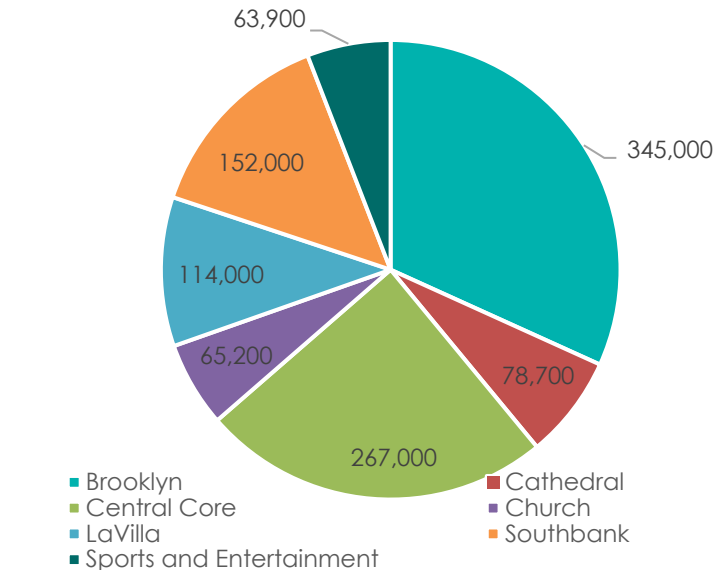
The retail real estate market indicators presented in this study are derived from data provided by CoStar as of Q4 2020, the most recent and available quarter at the time of this analysis.

The retail sector evaluated in this study as defined by CoStar includes properties used for “various sales opportunities, including, but not limited to, stand-alone (convenience stores to department stores), store fronts, strip centers (no anchors), neighborhood, community, regional, and super-regional malls, power centers, factory outlet centers, and fashion or specialty centers.”

## Retail Square Feet by District

The Central Core and Brooklyn Districts currently contain the majority of retail space in Downtown. Combined, these Districts contain roughly 55 percent of all downtown retail inventory. **Figure 31** illustrates the current distribution of retail by District. Note that no retail inventory exists in the Working Waterfront District.

Figure 31: Retail Inventory, By District, Q4 2020

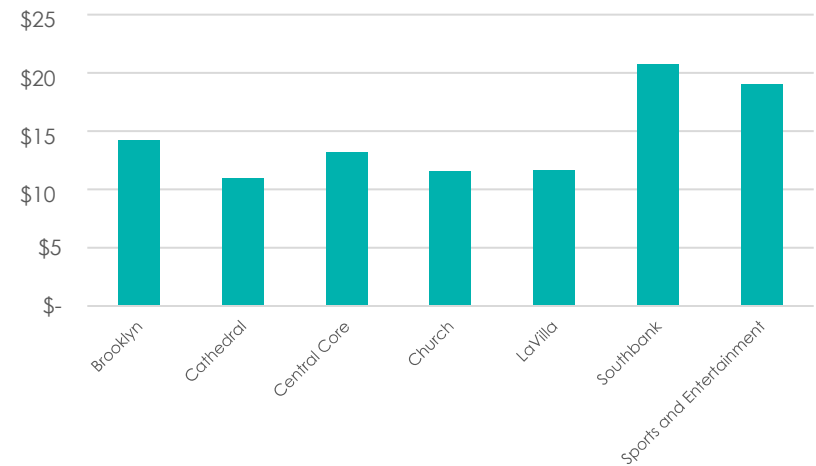


Source: CoStar; RMA; Willdan, 2021

Retail Rent Rates

Market rents per square foot range currently from \$10.98 per square foot in the Cathedral District to \$20.78 in the Southbank District. The Sports and Entertainment District are among the highest downtown, reflecting constrained supply and event-driven nature of market demand. Rents in the Cathedral, Church and LaVilla Districts are comparatively low, but had been rising steadily prior to the Covid pandemic. Figure 32 displays market rents per square foot, by District.

Figure 32: Retail Market Rent per Square Foot, Q4 2020



Source: CoStar; RMA; Willdan, 2021

## Downtown Jacksonville Market Feasibility Study

### Retail Vacancy Rates

Within most downtown Districts, retail vacancy remains relatively low despite the Covid pandemic. Vacancy is modestly higher in the Central Core, which reflects a decrease in daytime office demand as employees are working from home in much higher numbers.

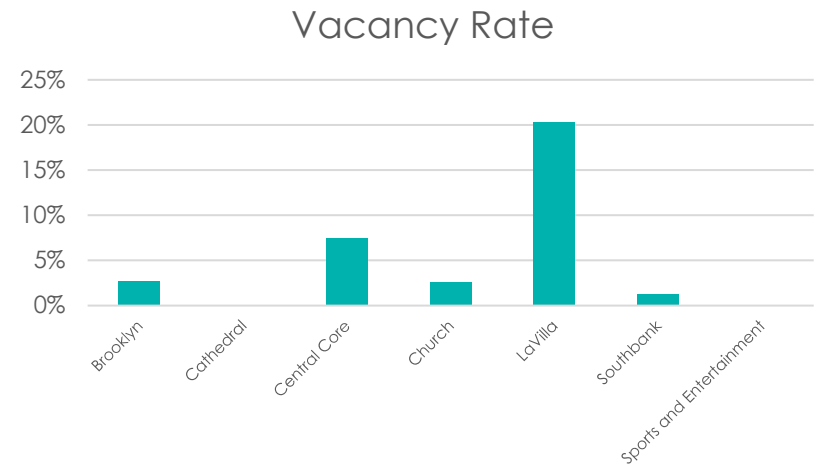
LaVilla has a particularly high vacancy rate, though it has absorbed approximately 20,000 sq. ft. of retail space within the past year, as discussed in the following discussion of retail absorption trends. The high vacancy rate is primarily driven by the vacancy of the 18,300 square foot DeLoach Furniture Building, which is currently listed for sale.

The LaVilla District historically has reported high retail vacancy rates, with rates between 20% and 31% since 2011.

The Cathedral and Sports and Entertainment Districts have no retail vacancy, though they do not large amounts of retail space to begin with compared to several of the other downtown districts (78,700 and 63,900 sq. ft., respectively).

**Figure 33** displays retail vacancy rates, by District.

**Figure 33: Vacancy Rate, Q4 2020**



Source: CoStar; RMA; Willdan, 2021

### Absorption

Several Districts continue to demonstrate relatively strong absorption levels despite the pandemic. Brooklyn, 1997

and LaVilla all absorbed between 15,000 and 20,000 sq. ft. in Q4 2020.

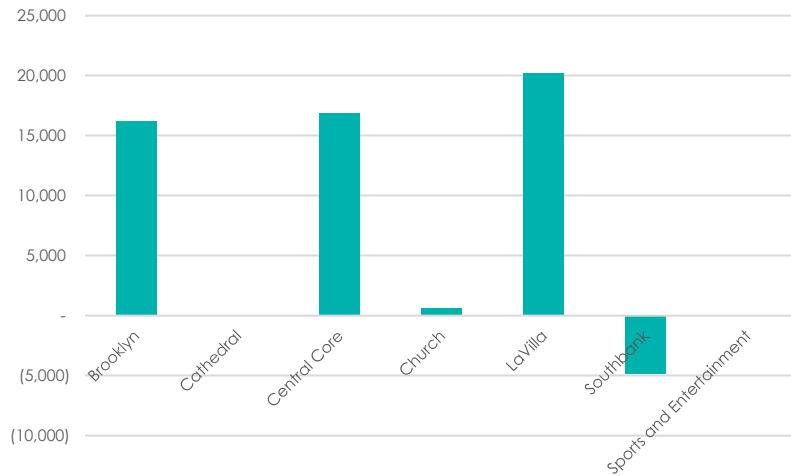
While the retail absorption in LaVilla was encouraging, it was largely driven by the sale of 7,600 sq. ft. of space at 618 W. Adams in Q2 2020 and approximately 13,200 sq. ft. in Q3 2020, including 9,661 sq. ft. at the Greyhound Bus Station at 1111 W. Forsyth St.

Southbank is the only District with negative absorption, with just over 5,000 sq. ft. of vacancy net gained. While this may be interpreted as a possible

## Downtown Jacksonville Market Feasibility Study

oversupply issue, the District's low vacancy rates and high rents suggest otherwise. **Figure 33** displays 12-month net absorption of retail space, by District.

**Figure 34: 12 Month Net Retail Absorption, Q4 2020**



Source: CoStar; RMA; Willdan, 2021

## Retail Supply Characteristics by Segment

To evaluate the retail supply characteristics within Downtown, placer.ai was used to identify locations where the residents of Downtown shop. This assessment considers the underlying notion that given an adequate supply and variety of nearby retail options, residents would opt for the nearby convenience. Alternatively, absent an adequate supply, spending would occur elsewhere. From the perspective of supply, new retail inventory typically follows demand, unless incentivized otherwise. Retailers, especially considering the shift to online shopping and the changing landscape for a brick-and-mortar location, are increasing careful about new locations, especially so for non-restaurant retail that typically benefits less from daytime populations.

The following pages present the location of retail spending by Downtown residents.

### General Merchandise

Of the top ten shopping centers and general merchandise retailers preferred by Downtown residents, only two are located within Downtown. All but one of the remaining locations are south and east of downtown, with a concentration in the St. Johns Town Center.

## Downtown Jacksonville Market Feasibility Study

**Table 21: General Merchandise Retailers Favored by Residents**

Name	Address	District
Riverside Market Square	2033 Riverside Ave	n/a
Brooklyn Station on Riverside	90-192 Riverside Ave	Brooklyn
Walmart Supercenter	4250 Philips Hwy	n/a
Roosevelt Square	4535 Roosevelt Blvd	n/a
The Markets at Town Center	4866 Big Island Dr	n/a
The Strand at Town Center	Town Center Parkway	n/a
Lakewood Promenade	5620 San Jose Blvd	n/a
Tinseltown	Gate Pkwy N	n/a
Jacksonville Landing <sup>1</sup>	2 Independent Drive	Central Core
The Avenues	10300 Southside Blvd	n/a

<sup>1</sup> Jacksonville Landing demolished in October 2019. Redevelopment pending.

Source: Placer.ai. Data range: March 1, 2019 to February 29, 2020

## Apparel

None of the top apparel retailers preferred by Downtown residents are located within Downtown indicating that there is an undersupply of apparel retailers Downtown. The following lists the top apparel retailers favored by residents. All are located east of Downtown, with four located in St. Johns Town Center.

**Table 22: Top Ten Apparel Retailers Favored by Residents**

Name	Address	District
Dillard's	4755 Town Crossing Dr	n/a
Nordstrom	4835 Town Crossing Drive	n/a
Ross Dress for Less	10261 River Marsh Dr.	n/a
T.J. Maxx	3550 University Blvd W	n/a
Nordstrom Rack	4924 Big Island Dr	n/a
Ross Dress for Less	13291 City Station Dr.	n/a
Stein Mart <sup>1</sup>	1648 University Blvd W	n/a
Dillard's	10300 Southside Blvd	n/a
T.J. Maxx	11824 Atlantic Blvd Ste 100	n/a
T.J. Maxx	11111-16 San Jose Blvd	n/a

<sup>1</sup> Steinmart closed permanently October 2020. Property remains vacant as of April 2021.

Source: Placer.ai. Data range: March 1, 2019 to February 29, 2020

## Downtown Jacksonville Market Feasibility Study

### Dining

Many of the top-20 dining establishments frequented by Downtown residents are located nearby. These establishments are primarily located in three Districts: Brooklyn, Central Core and Southbank.

**Table 23: Top 20 Dining Establishments Favored by Residents**

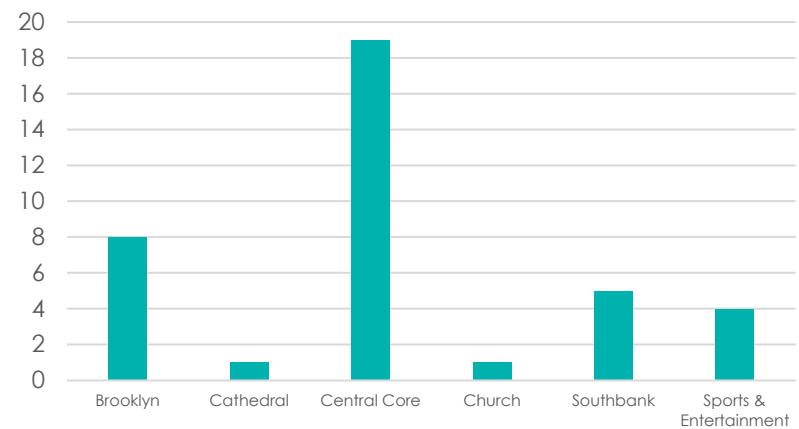
	Name	Address	District
1	Starbucks	1650 Margaret Street	n/a
2	BURGERFI	108 Riverside Avenue	Brooklyn
3	Hawkers Asian Street Food	1001 Park St	n/a
4	BB's Bar	1019 Hendricks Ave	Southbank
5	Cowford Chophouse	101 E Bay St	Central Core
6	La Nopalera	1629 Hendricks Ave	n/a
7	River & Post	1000 Riverside Avenue	n/a
8	Panera Bread	1440 Hendricks Ave	n/a
9	Burrito Gallery	90 Riverside Ave, #601	Brooklyn
10	V Pizza	1406 Hendricks Ave	n/a
11	Sushi Cafe	2025 Riverside Ave	n/a
12	Saki House	1478 Riverplace Blvd	Southbank
13	Uptown Kitchen & Bar	1303 N Main St	n/a
14	Kickbacks Gastropub	King St 910	n/a
15	First Watch	192 Riverside Ave	Brooklyn
16	Players Grille	4456 Hendricks Ave	n/a
17	The Southern Grill	800 Flagler Ave	Southbank
18	Southern Grounds	1671 Atlantic Blvd	n/a
19	Burrito Gallery Downtown	21 E Adams St	Central Core
20	European Street Cafe	1704 San Marco Blvd	n/a

Source: Placer.ai. Data range: March 1, 2019 to February 29, 2020.

### Restaurants with Outdoor Seating

To track progress against goals, the DIA collected data regarding restaurants with outdoor seating, as of March 2021. **Figure 35** displays the breakdown of those with outdoor seating by District. Most of these establishments are located in the Central Core.

**Figure 35: Restaurants with Outdoor Seating, by District**



Source: Jacksonville Downtown Investment Authority; DVI; Willdan, 2021

The following table provides a detailed inventory of restaurants with outdoor seating. The DIA adopted increasing the number and variety of restaurants with outdoor seating as a primary CRA performance measure related to creating a sense of place Downtown. This inventory list is updated annually by the DIA with data support provided by DVI to monitor and report on progress against goals and to inform evaluation of development proposals.

Table 24: Inventory of Restaurants with Outdoor Seating by District

Name	Street Address	City Sidewalk	Ground Floor Visible from Street	Ground Floor Not Visible from Street	Rooftop
<b>Brooklyn</b>					
Akels Deli - Haskell	111 Riverside Ave			X	
BurgerFi	108 Riverside Ave #501		X		
Burrito Gallery - Brooklyn	90 Riverside Ave #601		X		X
Edna Sproull Williams Café (YMCA)	221 Riverside Ave			X	
First Watch	192 Riverside Ave		X		
Jimmy John's	201 N Laura St		X		
Vale Food Co	90 Riverside Ave #603		X		
Zoe's Kitchen	90 Riverside Ave STE 607		X		
<b>Cathedral</b>					
Burrito Gallery - Downtown	21 E Adams St		X	X	
<b>Central Core</b>					
Atrium Café	1 Independent Dr			X	
Bay Street Bar and Grill	119 E Bay St	X			
Bellwether	117 W Forsyth St	X			
Bold City Downtown	109 E Bay St	X			
Chamblins Uptown Café	215 N Laura St		X		
Cowford Chophouse	101 E Bay St				X
D&G Deli and Grill	233 E Bay St	X			
Gili's Kitchen Catering and Bakery	126 W Adams St #102	X			
Happy Grilled Cheese	219 N Hogan St	X			
Maddy D's	440 W Adams St	X			
Magnificat Café	231 N Laura St		X		
Morton's Steakhouse	225 E Coastline Dr		X		
Pita Pit	491 W Forsyth St	X			
Rojas Pizza	440 W Adams St	X			
Spliffs Gastropub	100 E Forsyth St	X			
Super Foods and Brew	11 E Forsyth St		X		

## Downtown Jacksonville Market Feasibility Study

Name	Street Address	City Sidewalk	Ground Floor Visible from Street	Ground Floor Not Visible from Street	Rooftop
Sweet Pete's / Candy Apple Café	400 N Hogan St		X		
The Brick Coffee House	214 N Hogan St	X	X		
Whispers Oyster Bar	331 W Forsyth St	X			
<b>Church</b>					
Jenkins Quality BBQ	830 N Pearl St		X		
Southbank					
Basil Thai	1004 Hendricks Ave		X		
bb's restaurant and bar	1019 Hendricks Ave		X		
River City Brewing Company	835 Museum Cir			X	X
Sake House	1478 Riverplace Blvd #1		X		
The Southern Grill	800 Flagler Ave	X	X		
<b>Sports and Entertainment</b>					
Intuition Ale Works	929 E Bay St				X
Jacksonville Sports Tavern	234 A Philip Randolph Blvd		X		
Russ Doe's Sandwich Shop	1745 E Church St		X		
Tailgate Bar and Grill	441 Haines St				x

Source: Downtown Investment Authority; DVI; Willdan, 2021

## Downtown Jacksonville Market Feasibility Study

### Grocery

Grocery uses are distinct from other retail uses due to the time-limited shelf-life of fresh produce, dairy, and meats. Grocers must support relatively higher operating costs associated with energy, water, sanitation and safety. Consequently, grocers expect to operate within “razor thin” profit margins.

Grocers are also sensitive to market cannibalization from new operators entering a submarket. Similar to national chain pharmacies, it is not unusual for two or three national chains to be located in the same neighborhood submarket in the competition to capture long-term customer brand loyalty.

According to the International Council of Shopping Centers, the average size of a grocery store is shrinking from 40,000 sq. ft. over the last two decades to 20,000 sq. ft. or less. Specialty grocers Trader Joe’s and Aldi typically measure closer to 12,000 sq. ft.

In established urban markets, grocery stores are typically developed within the context of mixed-use urban infill and after resident, workforce and visitor populations reach threshold levels. Urban format or specialty grocery outlets frequently are planned as part of ground floor development activating retail uses in project-specific cases where grocery offerings would provide a walkable amenity for the redevelopment site and surrounding area.

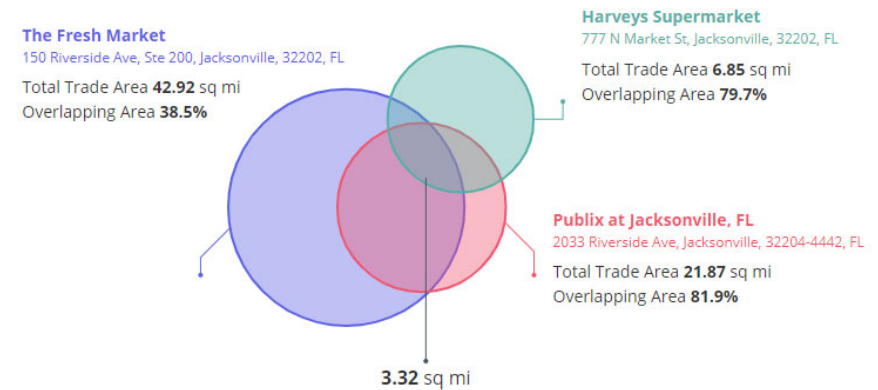
Current Downtown Jacksonville grocery supply is characterized as suburban format (20,000 sq. ft. or more.) including the following locations:

- The Fresh Market – 150 Riverside Ave: 20,218 sq. ft.
- Publix – 2033 Riverside Ave: 27,888 sq. ft.
- Harveys Supermarket – 777 N Market St: 28,284 sq. ft.

These three locations are the top three groceries visited by residents in Downtown anywhere in the regional submarket.

The following figure illustrates the overlapping trade areas of these three grocery stores where residents are considered to be available demand to support any one of these locations.

**Figure 36: Grocery Trade Area Overlap**



Source: Placer.ai; Willdan, 2021

While an increase in grocery supply in Downtown would likely cannibalize a share of market sales from the existing grocers in the short-term, there remains a need to increase the amenity base and convenience in Downtown Jacksonville to support ancillary mixed-use development.

## Downtown Jacksonville Market Feasibility Study

Data collection interviews indicated strong interest in attracting an urban format specialty grocery store (8,000 to 12,000 sq. ft). Examples of this product type include compact ground floor grocery offerings operated by local, independent brands or associated with small format national chain retail locations in mixed-use urban settings. Discussions with real estate representatives from the grocers in the market indicate interest in additional locations in the downtown market.

### Pharmacy

Similar to retail apparel, none of the top pharmacies preferred by Downtown residents are located within Downtown indicating that there is an undersupply of this use. The following table lists the top pharmacies favored by residents, all outside of Downtown.

**Table 25: Top Six Jacksonville Pharmacies Favored by Residents, 2021**

Name	Address	District
Walgreens	2703 Park St	n/a
Walgreens	8917 San Jose Blvd	n/a
CVS/pharmacy	9509 San Jose Blvd.	n/a
Walgreens	11430 Beach Blvd	n/a
CVS/pharmacy	6005 St. Augustine Road	n/a
CVS/pharmacy	4475 San Juan Avenue	n/a

Source: Placer.ai. Data range: March 1, 2019 to February 29, 2020; Willdan, 2021

### Retail Market Findings

Retail development design and programming is currently focused on creating a “town center” experience with greater outdoor pedestrian orientation and opportunities. This contrasts with the suburban style shopping centers built in recent years that placed a greater emphasis on the convenience of parking and ease of access. With consumer preferences trending towards experiential retail and the opportunity to go out and shop, eat and be entertained, Covid-19 has created a critical mass of pent-up demand beyond online shopping. Reimagining the retail landscape will include placemaking efforts and authentic experiences in compact, human-centric downtown urban environments.

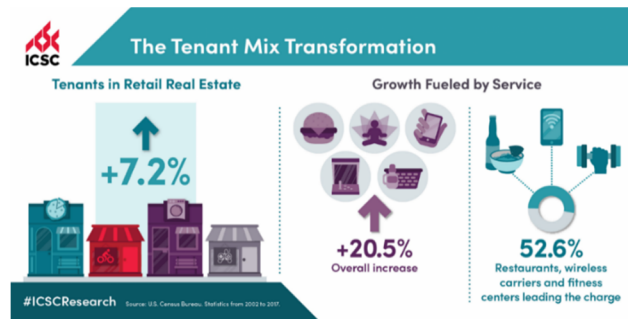
Location-based entertainment is a diverse and dynamic sector that can be categorized into five key subsectors—arts and entertainment, play and activity-based leisure, health and fitness, food and beverage, and heritage/visitor attractions. These are the assets that downtown Jacksonville can capitalize on to provide that experience that the consumer of today is searching for.

As craft breweries, artisanal coffeehouses and curated shops become more popular, it is this type of retail/ entertainment that will thrive in an urban landscape such as downtown Jacksonville and should be targeted for the area.

## Downtown Jacksonville Market Feasibility Study

This tenant mix transformation throughout the industry is illustrated below.

**Figure 37: The Tenant Mix Transformation**



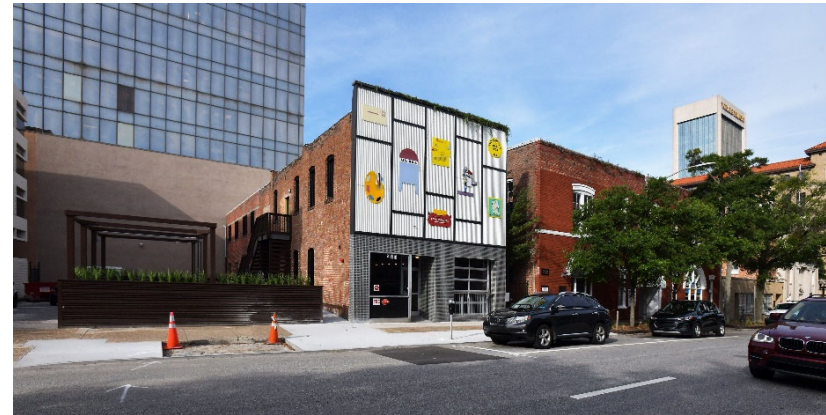
Source: ICSC; RMA, 2021

Expansions of existing breweries such as the Ruby Beach Brewery are examples of this trend. This brewery is expanding to add an outdoor patio and a rooftop dining area.

As retail/leisure and entertainment evolve according to changes in consumer lifestyles and behavior, innovative concepts and formats are producing a diverse and dynamic sector.

Boutique cinemas, urban golf, virtual reality arcades, street-food market halls, pop-up spaces, ghost kitchens, and premium fitness clubs are examples of a few of these emerging tenants that the market research indicates as most advantageous for downtown Jacksonville

**Figure 38: Ruby Beach Brewery, Downtown Jacksonville**



Source: Jacksonville Business Journal; RMA; Willdan, 2021

### Downtown Jacksonville Market Feasibility Study

Given current conditions, mixed-use development trends, and the progress of planned major projects, the Consulting Team supports the DIA's strategy to attract an urban format specialty grocery, principally in the Central Core.

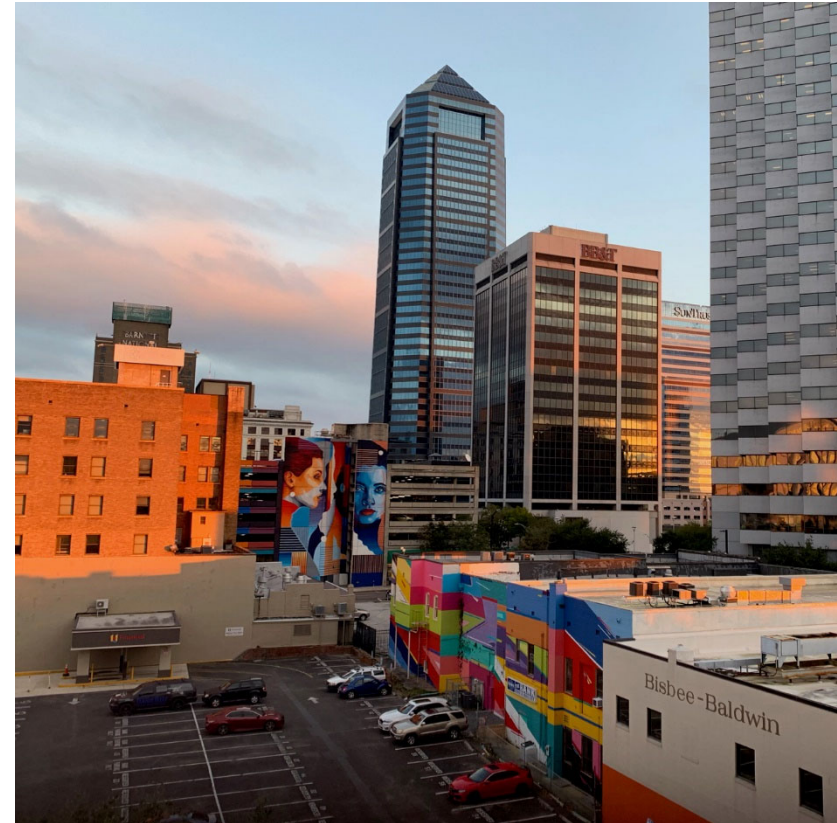
The economics of each grocery opportunity will determine the size with compact urban product types smaller than suburban models expected, but the location and importance to continued growth is determined by walkability from a concentration of existing and planned residences as well as walkability from Central Core office buildings.

This use will enhance walkability in conjunction with the growth in residential product. In this scenario, retail is following rooftops and rooftops are following retail somewhat simultaneously.

Residential units and population alone are not the only predictor of success. It is expected that new retail (grocery and pharmacy specifically) in Downtown will be further supported by the workforce and visitors.

Without these Downtown amenities walkable from the Central Core, the DIA's efforts to continue the trend of increased downtown residential development and to retain/attract new office tenants will be constrained by the lack of amenity base and specialty retailers.

Figure 39: W. Forsyth Street Parking Garage Mural, Central Core



Source: Jacksonville Downtown Investment Authority, 2020

## Office Market Overview

### Introduction

The Jacksonville office market has remained relatively strong over most of the past decade. The office market benefits from several key attributes including the area’s lower cost of living, stronger wage performance, lower office rents, and the availability of effectively priced land. More recently however, rents flattened during the pandemic, though they recovered by the end of the year. The market is currently accumulating excess inventory, especially Class B space, that will need to be reabsorbed as the market returns to post-pandemic normalcy.

### Office Indicators by District

This analysis evaluates four primary office market metrics: rent rate, vacancy levels, 12-month absorption rates, and sales price per square foot.

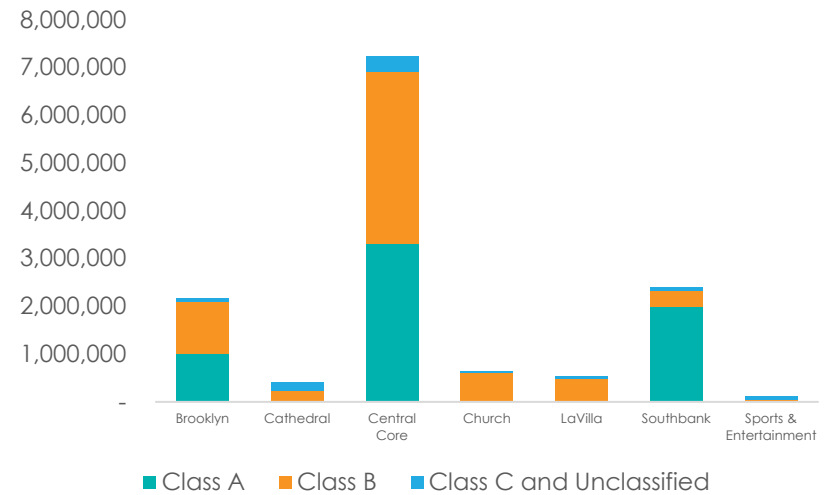
Data for these indicators was collected from CoStar through Q4 2020, the most current available. A unique benefit of CoStar is the ability to set geographic boundaries, providing the ability to query data and conduct analysis with a higher degree of specificity for each Downtown District.

### Office Supply Overview

There are over 13.6 million sq. ft. of office space in Downtown Jacksonville. Just over one half is in the Central Core District, with lesser concentrations in Brooklyn and Southbank. CoStar classifies office space into three categories: A, B and C, with A being the newest and highest quality. Most Downtown office space is either Class A or B, with only a fraction classified as Class C, indicative of a healthy, adequately maintained inventory. **Figure**

40 summarizes Downtown Jacksonville’s existing office inventory, by category and location.

Figure 40: Office Inventory by Class and District, Q4 2020



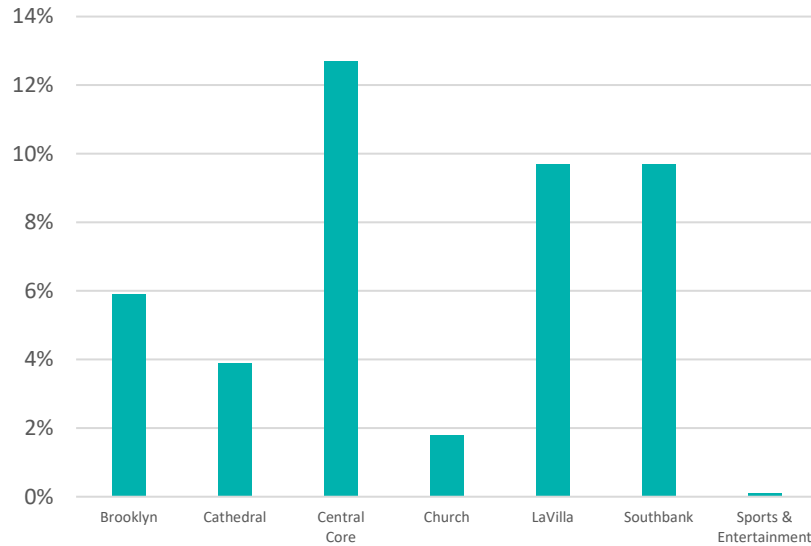
Source: CoStar; RMA; Willdan, 2021

### Vacancy Rates

The Covid-19 pandemic has increased vacancy rates in the Downtown Districts. Central Core had vacancy significantly above 10% and LaVilla and Southbank had office vacancy rates approaching 10%. The highest vacancy rate in the Central Core is most problematic as this District also contains, by far, the largest amount of office space in the City.

## Downtown Jacksonville Market Feasibility Study

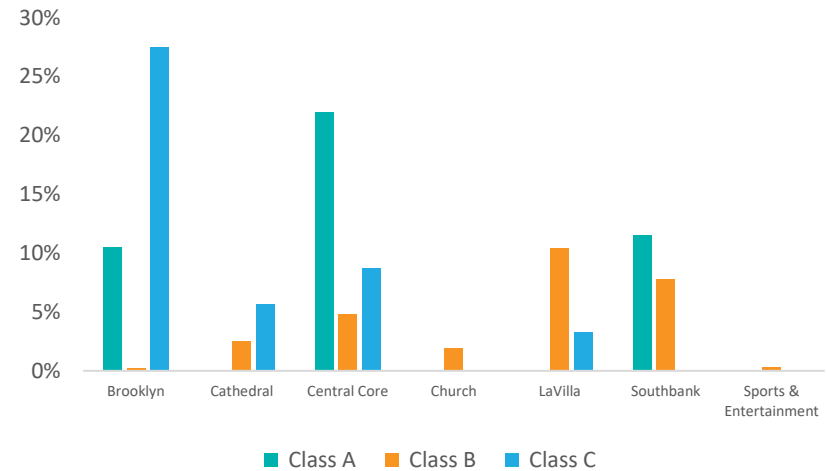
Figure 41: Office Vacancy by District, Q4 2020



Source: CoStar; RMA; Willdan, 2021

When examining vacancy by class by District, two trends stand out: Class C office space in Brooklyn and Class A office space in the Central Core have high vacancy. The relatively higher Class C vacancy in Brooklyn is somewhat misleading as Class C office space comprises less than six percent of all office space in the District. More concerning is the level of Class A vacancy in the Central Core with considerable vacancies at several properties including 225 Water St, 301 W Bay St (TIAA Bank Building), the Wells Fargo Center and the Bank of America Tower.

Figure 42: Office Vacancy by District by Class, Q4 2020



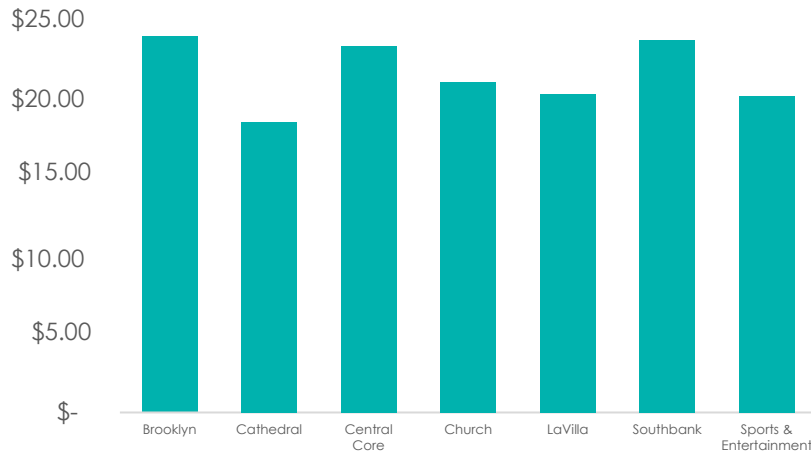
Source: CoStar; Willdan, 2021

### Rent per Square Foot by District

Average office rents range from approximately \$18 to just over \$23 per square foot. The highest rents are in the popular Brooklyn and Southbank districts and the dominant Central Core. The lowest rents are in the Cathedral and Church Districts.

## Downtown Jacksonville Market Feasibility Study

Figure 43: Office Rent per Square Foot by District, Q4 2020



Source: CoStar; RMA; Willdan, 2021

### Absorption

Absorption levels indicate a general reduction of occupied office space throughout nearly all of Downtown. All districts except LaVilla generated negative absorption levels in 2020. Much of this decline can be attributed the Covid-19 pandemic, as many companies have offered or required employees to work from home.

The highest negative absorption occurred in the Brooklyn, Central Core and Southbank Districts, where 54,000, 50,000 and 84,000 sq. ft. was vacated and not released, respectively.

Figure 44: Office 12 Month Net Absorption by District, Q4 2020



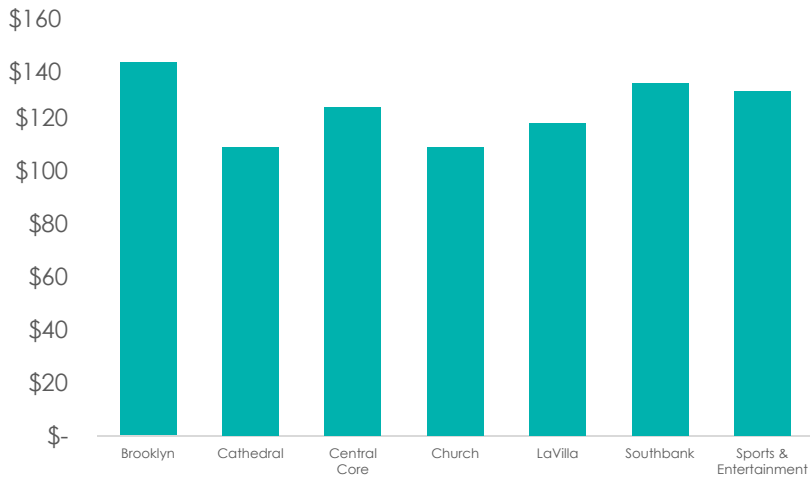
Source: CoStar; RMA; Willdan, 2021

## Downtown Jacksonville Market Feasibility Study

### Office Sales Prices

Historical sales prices per square foot of Downtown office space expectedly follow rent patterns. Average transaction price per square foot ranges from \$107 to \$141 and are highest in the Brooklyn District, reflecting the neighborhood’s desirability as an office location. Average price in the Central Core is expectedly in the middle, at \$124 per square foot, reflecting the District’s larger inventory and transaction volume.

**Figure 45: Market Sales Price per Square Foot by District, Q4 2020**



Source: CoStar; RMA; Willdan, 2021

Only two office buildings sold in 2020. They include the Bank of America Tower (\$64.4 million, 699,000 sq. ft., or \$92 PSF) and the SBA Communications Company building at 21 West Church Street (\$10.8 million, 238,129 sq. ft. or \$45 PSF). These lower prices likely reflect the near-term challenges in the commercial office market. Notably, the West Church Street property is being used primarily to house data equipment and is not

being utilized in a manner slightly different than a typical commercial office building.

**Table 26: Jacksonville Office Sales Highlights, 2020**

Bank of America Tower	
RBA: 699,000 SF Office	Leased: 73%
Sold: December 2020	Year Built: 1990
Sale Price: \$64.4M (\$92/SF)	
21 W Church St	
Buyer: SBA Communications Co (USA)	Leased: 100%
Seller: Metropolitan Jax Lofts I, Ltd. (USA)	Hold Period: 107 Months
Sale Type: Investment	RBA: 238,129 SF
Sale Date: July 2020	Year Built 1959
Sale Price \$10.8M (\$45/SF)	(Renovated 2004)

Source: CoStar; RMA; Willdan, 2021

### Covid-19 Impact Assessment Findings

As illustrated by the data presented throughout the office supply overview, Covid-19 has impacted the office market in Downtown Jacksonville. According to local area commercial brokers, the daytime foot traffic from Downtown Jacksonville office workers is estimated to be down by 80% due to remote work requirements and/or options.

## Downtown Jacksonville Market Feasibility Study

According to the Wall Street Journal's review of Price Waterhouse Cooper's January 2021 US Remote Work Survey<sup>1</sup>, office space decision makers experienced a monumental shift to work-from-home during the majority of 2020. Though business leaders are more convinced about the productivity gains achieved, some are no closer to giving up the office. Approximately 68% of all survey respondents think company culture will survive a purely remote working set up and would expect employees to be physically in the office three or more days per week.

### Office Market Findings

Slowing demand resulting in increased vacancies and negative absorption has hampered the Jacksonville office market even prior to the Covid-19 pandemic. The pandemic has exacerbated market conditions as companies consolidate operations and encourage employees to work from home.

Nationally, other Downtown markets are experiencing an uptick in Class B-C conversions to multifamily to take advantage of increasing space availability while also pursuing housing goals.

According to *Urban Land Magazine*, nearly 800 structures were converted to apartment buildings throughout the United States during the 2010s, the highest number in the past seven decades as reported by data provider Yardi Matrix. The DIA could consider exploring the financial feasibility of

adaptive reuse development opportunities for obsolete office product as part of future strategic planning efforts.

Jacksonville has a relatively low cost of living, lower office rents and higher wages than competing cities. While the economic downturn caused initial job losses in the financial activities and professional and business services sectors, growth nationally in these sectors are close to reaching pre-pandemic levels. Financial, professional, and business services are key drivers of Jacksonville's office market, due in large part to the prevalence of major firms such as Merrill Lynch, Citibank, Bank of America and Wells Fargo.

Going forward however, labor force utilization will change, creating a structural dampener on office demand. Put simply, more people will work from home both permanently and on a rotating basis. As a result, as jobs are added, those jobs won't have the same impact on absorption of office space.

Demand will rise though as the structure of the economy continues to shift to more service and knowledge driven industries. As the economy adds jobs, a greater proportion will be in an office-using industry. Netting it all out, the data suggests there will be a full recovery in office occupancy, but it will be slowed by the Covid-19 recovery and sustained shifts to the share of

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<sup>1</sup> <https://www.wsj.com/articles/return-to-office-what-to-do-while-staying-remote-11627396958>

## Downtown Jacksonville Market Feasibility Study

the office using workforce continuing to work from home at least three days a week.

According to the most recent report by the Bureau of Labor and Statistics (BLS), Jacksonville had recovered about 80% of the nearly 85,000 jobs lost in the early months of the Covid-19 pandemic. While the pandemic has caused significant economic disruption in Jacksonville, labor data indicators suggest the market may be one of the best in Florida poised for a strong recovery.

While the proportion of the private sector workforce in the retail trade and leisure and hospitality sectors exceeds 27% in most Florida metros, jobs in those sectors make up 22% of Jacksonville's employment. Due in part to its port, Jacksonville's largest private employment sector is trade, transportation, and utilities, accounting for 19% of jobs.

Healthcare and education jobs make up 18% of the work force and the sector has continued to grow over the past year.

Jacksonville also has a competitive advantage with its walkable downtown. Companies make downtown site selection decisions based on proximity to neighborhood amenities, transportation linkages, creative collaboration, proximity to business partners, and the available pool of talented workers.

Urban life provides a vitality in downtown neighborhoods which drives commercial real estate to evaluate a mix of synergistic metrics that go beyond rents, vacancy rates, land value and market capitalization rates. When considering a new location, office tenants today weigh a diverse mix of local characteristics including walk scores, bike scores, public

realm/placemaking offerings, public transit, environmental risks, workforce qualities, recreation offerings, medical/healthcare/wellness infrastructure, and housing opportunities. The appeal of the whole experience and a sense of place, along with social interaction are key things driving these relocation/location decisions.

A strong white-collar workforce, and business friendly environment are attractive to companies looking for new space and expansions. Jacksonville offers relatively lower office leasing costs, with rents approximately 25% more affordable than Raleigh, Atlanta, and Charlotte

**Jacksonville achieved the 5th highest population growth in the USA in 2019 and the 12<sup>th</sup> highest over the last 10 years.**

**The booming population growth is joined by job gains, which have outpaced the nation for 7 years.**

**Overall job growth in Jacksonville in the past year has been more than four times national job growth.**

### **Downtown Jacksonville Market Feasibility Study**

Among all metros in Florida, Jacksonville is among the top five for rent growth, ahead of Miami and Orlando. According to CoStar, the downtown submarkets of Northbank and Southbank have reached the \$22 per square foot and \$23 per square foot average rent benchmarks, respectively.

However, properties greater than 100,000 sq. ft. built more than 30 years ago remain an obstacle, as evidenced by the recent departures of several large companies. Many of these properties require renovations to accommodate today's changing workforce and the competitive context of wellness, immediate access to outdoor gathering space, and other placemaking amenities.

## Hotel Market Overview

### Introduction

Downtown Jacksonville’s hotel submarket is characterized by a predominance of limited-service national chain (“flag”) product. Smith Travel Research reports current room inventory of 2,393 rooms in eight properties. In addition, there are 263 rooms currently under construction in the downtown area.

Full-service/upscale hotels are defined as having an onsite restaurant and lounge, 24-hour room service, laundry service, significant conference facilities and spa type amenities. This type of hotel is required to bring in larger conventions, events, meetings and groups, resulting in guests and visitors who spend more money and time in the area.

A 136-room Residence Inn is under development in the Brooklyn District and the historic 1924 Ambassador Hotel (127 rooms) is undergoing a renovation to this former leading property that fell into disrepair. Another four hotels containing 649 rooms are in planning. Two properties, the Marriott Autograph and the Four Seasons, would be positioned at the top of the market should they develop, providing upscale alternatives to a market that is heavily positioned with middle tier offerings.

A summary of existing, under construction, and currently planned hotel supply in the following table indicates that the total Downtown Jacksonville hotel supply is projected to grow to 3,305 rooms, a 38% increase in inventory over the current existing supply.

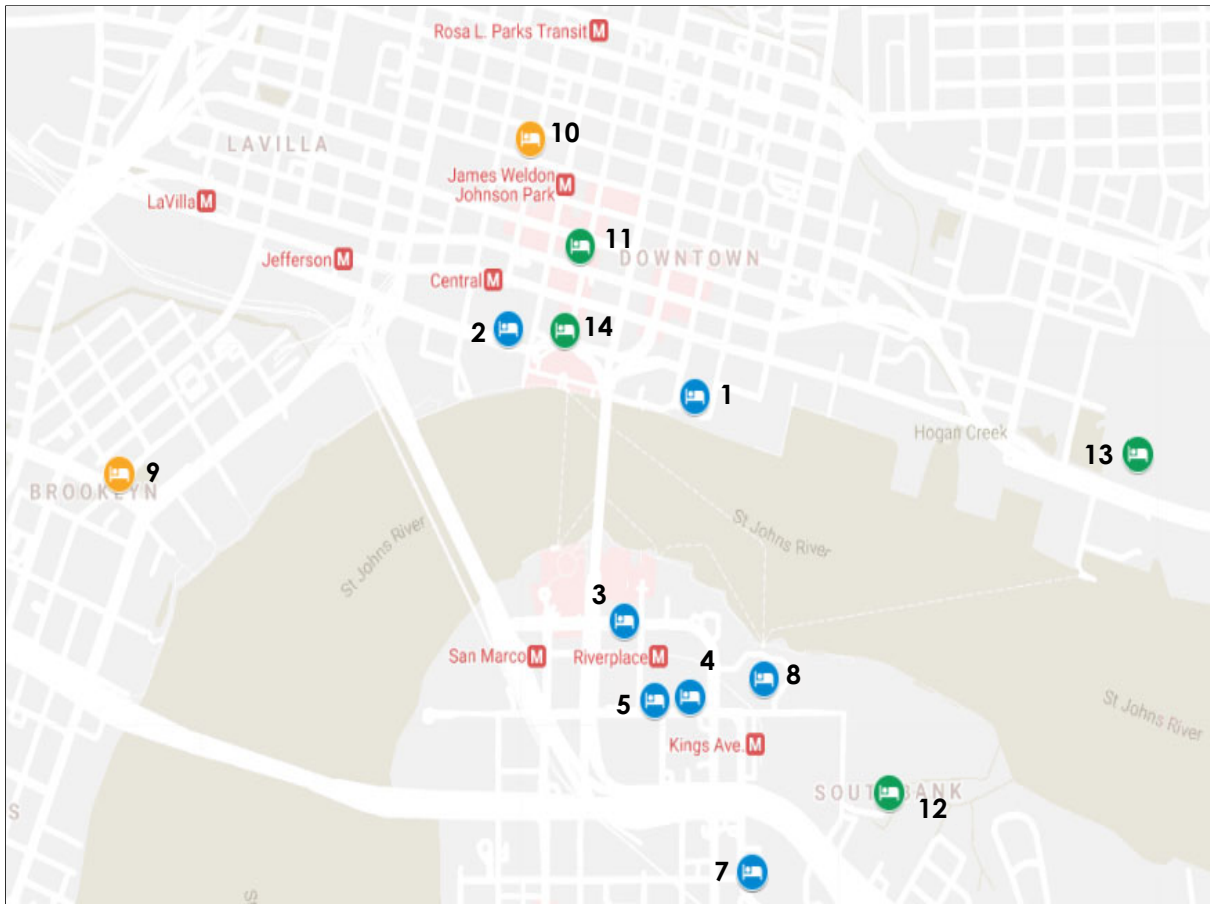
Table 27: Downtown Jacksonville Hotel Rooms Supply, Q1 2021

Existing Hotel Properties	Rooms	Address
1 Hyatt Regency Jacksonville Riverfront	951	225 E Coastline Dr
2 Omni Jacksonville Hotel	354	245 Water St
3 DoubleTree by Hilton Hotel Jacksonville Riverfront	293	1201 Riverplace Blvd
4 Extended Stay America Jacksonville - Riverwalk - Convention Center	101	1413 Prudential Dr
5 Hampton by Hilton Inn Jacksonville-Downtown-I-95	118	1331 Prudential Dr
6 Hilton Garden Inn Jacksonville Downtown Southbank	123	1201 Kings Ave
7 Homewood Suites by Hilton Jacksonville Downtown Southbank	98	1201 Kings Ave
8 Southbank Hotel Jacksonville Riverwalk	355	1515 Prudential Dr
<b>Total Current Rooms</b>	<b>2,393</b>	
Hotels Under Construction	Rooms	Address
9 Residence Inn	136	357 Oak St
10 Ambassador Hotel (refurb.)	127	420 N. Julia St.
<b>Total Under Construction</b>	<b>263</b>	
Hotels Planned/Proposed	Rooms	Address
11 Marriott Autograph	145	112 W. Adams St
12 AC Hotel by Marriott	200	The District at Southbank
13 Four Seasons Hotel, Spa, and Residences	176	Gator Bowl Blvd.
14 Hyatt Place (Sister Cities Site)	128	76 S Laura St.
<b>Total Planned/Proposed</b>	<b>649</b>	
<b>Total Current, Under Construction, Planned</b>	<b>3,305</b>	

Source: Visit Jax; Jacksonville Business Journal; Smith Travel Research; Willdan, 2021

Downtown Jacksonville Market Feasibility Study

Figure 46: Jacksonville Hotel Supply Map, 2021



### Jacksonville Hotel Supply Map Legend

Existing Hotel Rooms	2,393
Hotel Rooms Under Construction	263
Hotel Rooms Planned/Proposed	649
<b>Total Rooms</b>	<b>3,305</b>

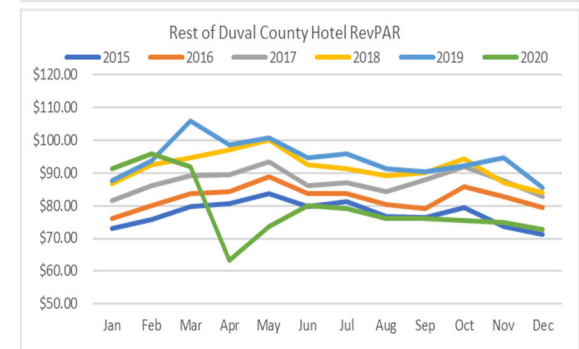
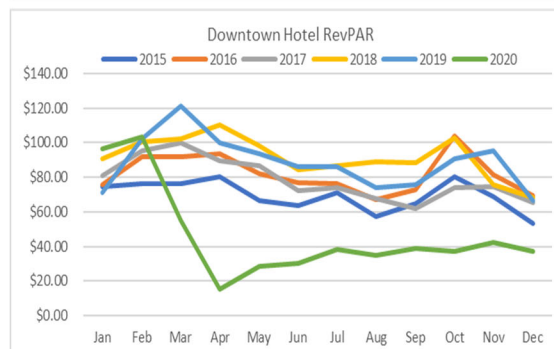
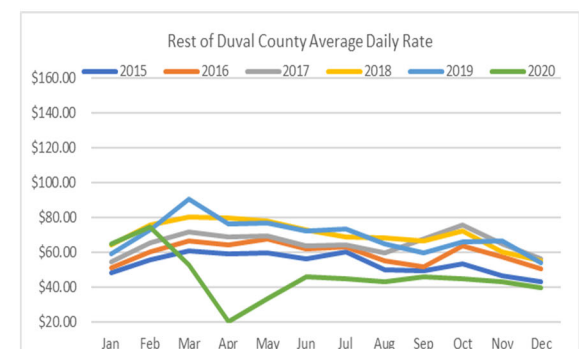
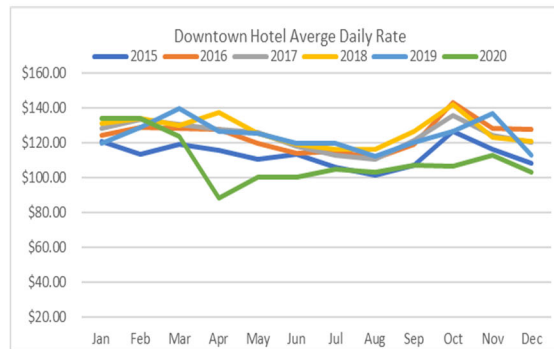
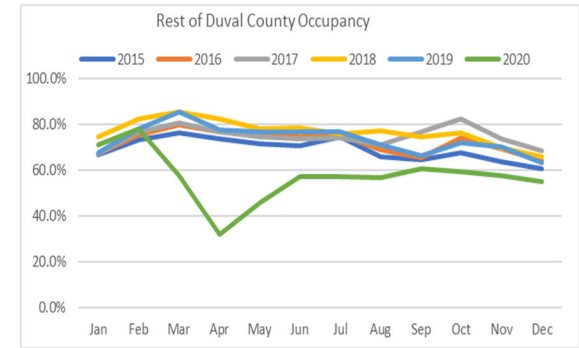
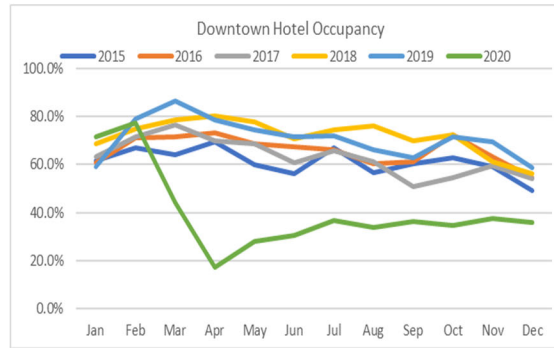
Source: Jacksonville Downtown Investment Authority; Downtown Vision, Inc.; Smith Travel Research; Willdan, 2021

Downtown Jacksonville Market Feasibility Study

Figure 47: Smith Travel Research Hotel Market Indicators 2015-2020

Prior to the Covid pandemic, Smith Travel Research (STR) data indicates the hotel market was experiencing stronger performance, both Downtown and throughout greater Duval County. Analysis of hotel performance at the District or even CRA level is not possible due to STR reporting rules that have minimum competitive set sizes and similar limitations on brand representation that seek to exclude the possibility of calculating individual property performance.

The room supply reported by STR totals between 2,300 and 2,700 rooms annually, without specifics on included properties, but one that matches closely with the existing Downtown room supply. These rooms represent approximately 13 percent of the Duval County total, a supply share that has remained constant over the past five years.



## Downtown Jacksonville Market Feasibility Study

STR 5-year data indicates downtown market performance improved steadily and substantially through 2018, prior to the Covid pandemic. Reported occupancy levels increased from 61.1 percent in 2015 to 71.8 percent in 2018, then holding steady through 2019 and falling to 40.5 percent in 2020 as travel was heavily impacted by Covid-19. Average daily rate similarly improved, increasing from \$113.47 in 2015 to \$127.14 in 2018, then decreasing to \$124.74 in 2019, and then \$115.20 in the following year.

The resulting Revenue per Available Room (RevPAR) – a metric that is perhaps the best indicator of overall market health as it combines rate and occupancy metrics (rate x occupancy = RevPAR) – steadily increased from \$69.32 in 2015 to \$91.33 in 2018. RevPAR softened to \$88.37 in 2019 then declined to \$46.67 in 2020, exposing the full impact of the pandemic.

The remainder of Duval County experienced a similar pattern of increasing RevPAR between 2015 (\$53.75) and 2018 (\$70.45), then a very slight decline in 2019 (\$69.59), followed by a significant decrease in 2020 (\$46.21). This nearly identical RevPAR level that was equal to the downtown market highlights the broad market struggle in 2020, where operators were competing heavily on price to drive occupancies.

Historic seasonality patterns (prior to Covid) evidenced from the STR data indicate the Downtown market benefits from a winter snowbird pattern, with enhanced occupancy and rate performance during the first quarter of the year, then another two-month upward bump that commences with the beginning of the school year. The seasonality pattern for the remainder of the county is similar, but with smaller peaks.

Despite the substantial impact to the hotel market in 2020, near term expectations are slowly improving market conditions, a recovery that will be likely led by rate-sensitive leisure travelers, followed by the business travel segment that is less sensitive to pricing. This latter segment should be closely monitored to better understand any longer-term changes resulting from the vastly changed work-from-home patterns and shift to video meetings.

Barring any structural segmentation shifts, occupancy levels exceeding 67% percent should enhance interest in full-service hotel development. Average daily rates may be a more challenging aspect for new hotel development and a potential source of disconnect between construction costs and valuations derived from operating economics. This may result in requests for development support for more expensive full-service hotel towers or increased interest in developing mid-rise, wood-framed (stick-built) structures that cost less per room to develop.

Table 28: Smith Travel Research Performance Indicators 2015-2020

	Downtown Occ. %						Rest of Duval Occ. %					
	2015	2016	2017	2018	2019	2020	2015	2016	2017	2018	2019	2020
Jan	61.7%	61.0%	63.3%	68.9%	59.3%	71.8%	66.6%	67.2%	67.4%	74.5%	67.7%	71.3%
Feb	66.9%	71.2%	71.5%	74.9%	79.2%	77.3%	73.4%	75.3%	76.6%	82.3%	78.0%	78.0%
Mar	64.0%	71.5%	76.7%	78.5%	86.6%	44.3%	76.4%	79.8%	80.8%	85.3%	85.5%	57.5%
Apr	69.6%	73.2%	69.9%	80.3%	78.5%	17.1%	73.6%	76.7%	77.0%	82.6%	77.7%	31.9%
May	59.8%	68.6%	68.8%	78.0%	74.6%	28.2%	71.4%	76.2%	74.6%	78.1%	76.6%	46.0%
Jun	56.2%	67.4%	61.0%	70.8%	71.7%	30.4%	70.7%	74.5%	73.8%	78.7%	76.7%	57.3%
Jul	67.0%	66.4%	65.6%	74.7%	72.1%	36.7%	74.6%	75.7%	74.1%	75.8%	76.9%	57.3%
Aug	56.5%	60.2%	61.2%	76.3%	66.1%	33.9%	65.9%	68.8%	71.0%	77.0%	71.0%	57.0%
Sep	60.4%	61.3%	50.9%	69.8%	62.9%	36.3%	64.8%	65.6%	76.9%	74.5%	66.3%	60.7%
Oct	63.1%	72.6%	54.4%	72.3%	71.8%	34.6%	67.5%	74.3%	82.5%	76.6%	72.2%	59.5%
Nov	59.2%	63.4%	59.7%	61.4%	69.7%	37.4%	63.6%	69.5%	74.0%	69.7%	70.3%	57.8%
Dec	<u>49.2%</u>	<u>54.6%</u>	<u>54.2%</u>	<u>56.3%</u>	<u>58.7%</u>	<u>35.8%</u>	<u>60.7%</u>	<u>64.1%</u>	<u>68.3%</u>	<u>65.8%</u>	<u>63.3%</u>	<u>55.0%</u>
Total	61.1%	65.9%	63.1%	71.8%	70.8%	40.5%	69.1%	72.3%	74.7%	76.7%	73.5%	57.4%

	Downtown ADR (\$)						Rest of Duval ADR (\$)					
	2015	2016	2017	2018	2019	2020	2015	2016	2017	2018	2019	2020
Jan	\$120.71	\$124.25	\$128.25	\$131.52	\$119.96	\$134.19	\$72.93	\$76.07	\$81.60	\$86.85	\$87.79	\$91.44
Feb	\$113.77	\$129.13	\$133.46	\$134.25	\$128.68	\$133.86	\$75.81	\$80.17	\$86.00	\$92.55	\$93.88	\$95.83
Mar	\$118.98	\$128.13	\$130.51	\$130.07	\$139.63	\$124.05	\$79.64	\$83.74	\$89.11	\$94.55	\$106.04	\$91.93
Apr	\$115.70	\$127.84	\$127.85	\$137.31	\$126.92	\$88.61	\$80.64	\$84.37	\$89.48	\$97.06	\$98.59	\$63.40
May	\$110.93	\$119.99	\$126.30	\$125.53	\$125.64	\$100.54	\$83.77	\$88.74	\$93.46	\$100.14	\$100.73	\$73.65
Jun	\$113.51	\$114.18	\$118.04	\$119.48	\$119.82	\$100.35	\$79.86	\$83.64	\$86.26	\$92.50	\$94.71	\$80.13
Jul	\$105.83	\$114.98	\$113.04	\$116.36	\$119.55	\$104.71	\$81.20	\$83.81	\$87.03	\$91.36	\$95.87	\$79.10
Aug	\$101.65	\$111.24	\$110.60	\$116.64	\$112.30	\$103.05	\$76.61	\$80.49	\$84.41	\$89.25	\$91.28	\$76.09
Sep	\$107.04	\$119.14	\$121.45	\$126.78	\$120.62	\$107.27	\$76.26	\$79.24	\$88.12	\$90.00	\$90.55	\$76.13
Oct	\$126.86	\$143.43	\$135.79	\$141.91	\$126.64	\$106.61	\$79.50	\$85.83	\$92.08	\$94.52	\$92.13	\$75.53
Nov	\$116.17	\$128.46	\$124.64	\$122.99	\$136.79	\$112.68	\$73.79	\$82.92	\$87.57	\$86.91	\$94.67	\$74.89
Dec	<u>\$108.17</u>	<u>\$127.56</u>	<u>\$120.48</u>	<u>\$121.02</u>	<u>\$113.21</u>	<u>\$103.47</u>	<u>\$71.36</u>	<u>\$79.38</u>	<u>\$82.82</u>	<u>\$83.99</u>	<u>\$85.54</u>	<u>\$72.72</u>
Total	\$113.47	\$124.30	\$124.36	\$127.14	\$124.74	\$115.20	\$77.82	\$82.54	\$87.49	\$91.85	\$94.71	\$80.55

	Downtown RevPAR						Rest of Duval RevPAR					
	2015	2016	2017	2018	2019	2020	2015	2016	2017	2018	2019	2020
Jan	\$74.48	\$75.79	\$81.18	\$90.62	\$71.14	\$96.35	\$48.59	\$51.11	\$55.04	\$64.68	\$59.46	\$65.17
Feb	\$76.11	\$91.94	\$95.42	\$100.55	\$101.91	\$103.47	\$55.65	\$60.36	\$65.90	\$76.17	\$73.20	\$74.76
Mar	\$76.15	\$91.61	\$100.10	\$102.10	\$120.92	\$54.95	\$60.84	\$66.84	\$72.05	\$80.67	\$90.69	\$52.83
Apr	\$80.53	\$93.58	\$89.37	\$110.26	\$99.63	\$15.15	\$59.38	\$64.72	\$68.91	\$80.19	\$76.62	\$20.21
May	\$66.34	\$82.31	\$86.89	\$97.91	\$93.73	\$28.35	\$59.82	\$67.64	\$69.69	\$78.19	\$77.17	\$33.86
Jun	\$63.79	\$76.96	\$72.00	\$84.59	\$85.91	\$30.51	\$56.43	\$62.32	\$63.63	\$72.81	\$72.61	\$45.93
Jul	\$70.91	\$76.35	\$74.15	\$86.92	\$86.20	\$38.43	\$60.57	\$63.45	\$64.51	\$69.28	\$73.69	\$45.31
Aug	\$57.43	\$66.97	\$67.69	\$89.00	\$74.23	\$34.93	\$50.45	\$55.41	\$59.93	\$68.74	\$64.83	\$43.34
Sep	\$64.65	\$73.03	\$61.82	\$88.49	\$75.87	\$38.94	\$49.39	\$51.98	\$67.77	\$67.02	\$60.07	\$46.20
Oct	\$80.05	\$104.13	\$73.87	\$102.60	\$90.93	\$36.89	\$53.69	\$63.75	\$75.95	\$72.38	\$66.47	\$44.94
Nov	\$68.77	\$81.44	\$74.41	\$75.52	\$95.34	\$42.14	\$46.94	\$57.62	\$64.77	\$60.55	\$66.54	\$43.31
Dec	<u>\$53.22</u>	<u>\$69.65</u>	<u>\$65.30</u>	<u>\$68.13</u>	<u>\$66.45</u>	<u>\$37.04</u>	<u>\$43.33</u>	<u>\$50.86</u>	<u>\$56.60</u>	<u>\$55.27</u>	<u>\$54.13</u>	<u>\$39.99</u>
Total	\$69.32	\$81.93	\$78.42	\$91.33	\$88.37	\$46.67	\$53.75	\$59.67	\$65.39	\$70.45	\$69.59	\$46.21

## Hotel Market Findings

The Consultant Team recommends that the DIA evaluate the need for hotel product incentives on an individual project basis to best ensure competitive impacts from potential cannibalization are mitigated and that the overall health of the hotel market is sustained.

The DIA should strategically prioritize the deployment of hotel incentives to achieve one or more of the following goals/targets to:

- Enhance the quality of hotel offerings
- Attract net new or underserved market segments
- Link/layer hotel incentives with broader neighborhood-level goals in activity zones or priority redevelopment areas
- Renovate iconic properties
- Attract boutique properties with unique character

The deployment of hotel incentives should also recognize the comparative benefits of site-specific qualities including location, proximity to existing tourism infrastructure, and broader DIA redevelopment goals.

## Market Growth Scenarios Testing

To evaluate future market growth for residential, retail and office markets, Willdan used CoStar projections and identified optimistic and low scenarios.

The following charts display five years of average rent history, followed by the CoStar projection which is bounded by Willdan's optimistic and low growth scenarios.

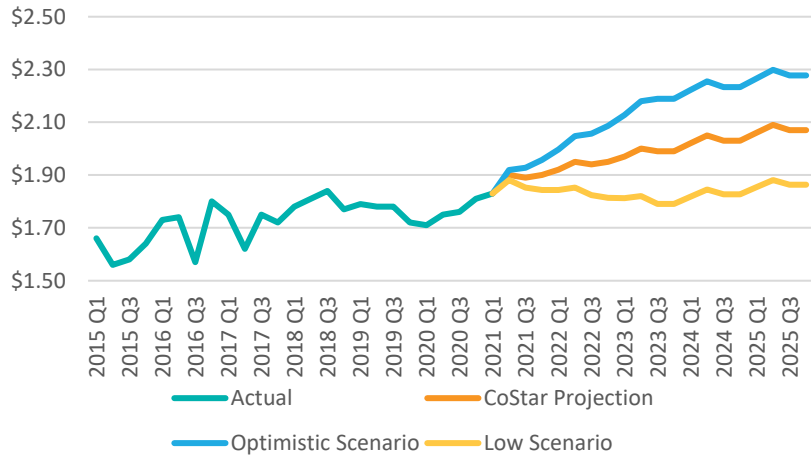
The optimistic scenario scales up to 10% greater rents than the CoStar projection by 2025. The low scenario scales down to 10% lower rents by 2025.

Note that the projections are of average rents including new products and existing properties. As such, the presented rents are lower than what would be expected for new product deliveries.

Figure 49 displays the growth scenarios for studios, 1 bedroom, 2 bedroom and 3-bedroom product types, respectively. Note that these are projections of market rate rent for existing and new product types and exclude affordable housing and rent subsidized units.

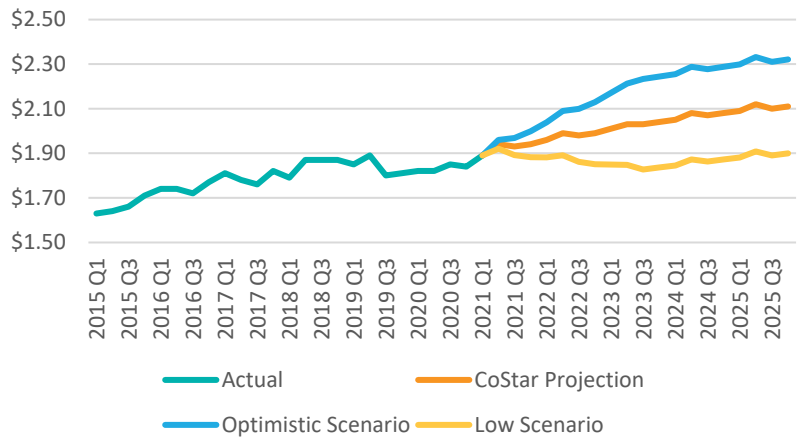
Downtown Jacksonville Market Feasibility Study

Figure 48: Average Asking Rent per Square Foot (Studio - Market Rate)



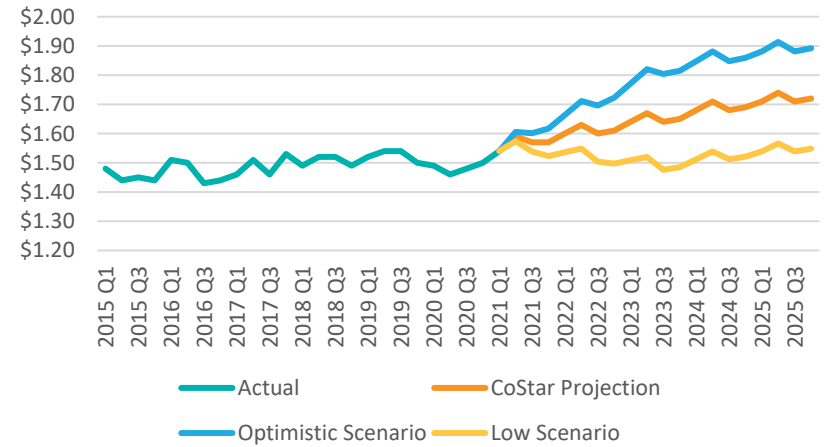
Source: CoStar; Willdan, 2021

Figure 49: Average Asking Rent per Square Foot (1 Bedroom - Market Rate)



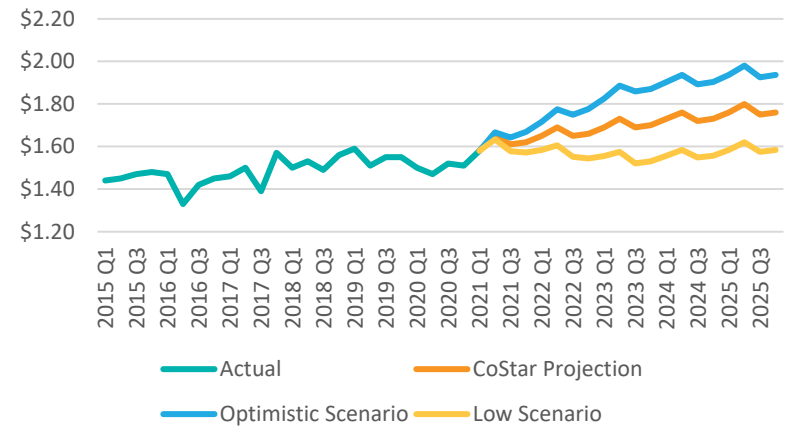
Source: CoStar; Willdan, 2021

Figure 50: Average Asking Rent per Square Foot (2 Bedroom - Market Rate)



Source: CoStar; Willdan, 2021

Figure 51: Average Asking Rent per Square Foot (3 Bedroom - Market Rate)

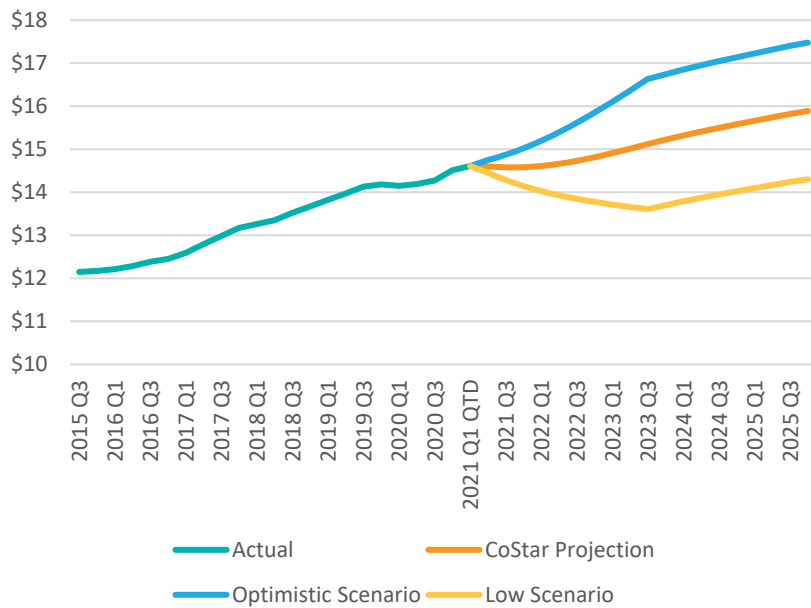


Source: CoStar; Willdan, 2021

## Downtown Jacksonville Market Feasibility Study

Figure 52 displays the growth scenarios for retail rents for the entire Downtown. Under CoStar’s projection, rents are projected to reach \$16 per square foot in 2025. CoStar’s projection is less optimistic about the growth in retail rents than housing rents, partially due to the uncertainty around brick-and-mortar retail post-Covid.

Figure 52: Average Retail Market Rent

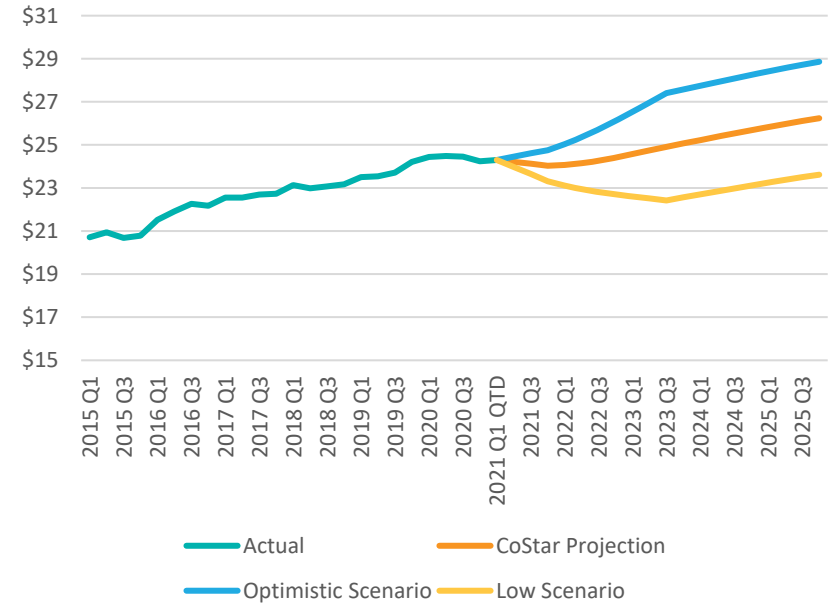


Source: CoStar; Willdan, 2021

Figure 53 displays the growth scenarios for Class A office rents for the entire Downtown. Like retail, CoStar’s projection of office rents is less optimistic than housing rents in Downtown Jacksonville. The already high Class A vacancy,

coupled with the work-from-home impact of Covid lead to stagnant-to-decreasing rents in the short term, and low growth in the near term.

Figure 53: Average Class A Office Market Rent



Source: CoStar; Willdan, 2021

## VI. PEER CITIES COMPARISONS

### Introduction

A strong downtown is defined by strength and prosperity, and serves as a center of culture, knowledge, and innovation. Downtowns play a key role in ensuring stability, sustainability and growth and can serve as a catalyst for regional revivals from the impacts of economic downturns, negative social impacts, and environmental disasters.

The cities profiled for the Jacksonville Peer City Comparison include:

- Cincinnati, OH
- Kansas City, MO
- Louisville, KY
- Tampa, FL
- West Palm Beach, FL

The evaluation included Downtown Jacksonville District-level measures such as:

- Demographic and lifestyle characteristics
- Employment and wage composition
- Housing stock (number of units, ownership levels, interest rates)
- Available office space, vacancies, average rents
- Retail and service business mix (types and number of businesses)
- Traffic volume and patterns
- Tourism industry statistics such as visitor numbers and annual room nights

The peer market comparison profiles compare various downtowns and evaluates the efficacy and impacts of redevelopment efforts.

**What best practices have helped attract businesses and real estate development that can be effectively incorporated in Downtown Jacksonville?**

**What can Jacksonville learn from other Downtowns about how to leverage incentives to catalyze real estate development?**

The profiles are structured to compare and contrast both in-state and out-of-state cities with similar characteristics, but also including cities whose downtowns have advanced to achieve a critical mass of downtown residents through multifamily housing offered at a variety of price points, an optimal mix of retail/dining/entertainment, a thriving office market, and pent-up demand in the lodging market.

The following summary tables provide a comparative snapshot of each city's increase in taxable value from 2012 to 2019 and a sampling of downtown investment and development completed or underway. These findings are further explored in an overview of leadership, best practices, and lessons learned.

**Additional research in support of these findings is provided under separate cover in the Jacksonville Downtown Market Feasibility Study (Part 2 of 2): Peer Cities Comparison Analysis - Detailed Background Data.**

Downtown Jacksonville Market Feasibility Study

Table 29: Peer Cities Comparative Tax Bases, 2012-2019

City	2012 Taxable Value/Assessment (Property)	2019 Taxable Value/Assessment (Property)	Increase
Jacksonville, FL (Southside & Northbank CRA Districts)	\$1.24 B	\$1.74 B	40%
Cincinnati, OH (CBD)	\$3.67 B	\$4.27 B	16%
Kansas City, MO (Downtown CID)	\$0.47 B	\$0.84 B	81%
Louisville, KY (CBD)	\$1.65 B	\$2.18 B	32%
Tampa, FL (Downtown CRA)	\$1.51 B	\$2.95 B	95%
West Palm Beach, FL (City Center CRA)	\$1.83 B	\$3.14 B	72%

Source: City of Jacksonville, City of Tampa CRA, West Palm Beach CRA, Downtown Council of Kansas City, Louisville Downtown Partnership, Hamilton County (OH) Auditor; Willdan, 2021

Downtown Jacksonville Market Feasibility Study

Table 30: Downtown Investments and Projects (as of April 2021)

City	Completed Downtown Investments and Projects	Downtown Projects Underway and Planned
<b>Jacksonville, FL</b>	<p>\$530 Million in Completed 2019-2020 Projects</p> <p>\$1.8 billion in completed projects since 2000, including:</p> <ul style="list-style-type: none"> <li>Federal Courthouse</li> <li>Veterans Memorial Arena</li> <li>County courthouse</li> <li>Baptist-Wolfson medical complex Main Library</li> </ul>	<p>\$2.9 Billion in Under Construction Projects</p> <p>\$3.15 Billion in Proposed Projects</p> <p>\$900,000,000 in projects underway and planned, including:</p> <ul style="list-style-type: none"> <li>Baptist Medical Center addition</li> <li>LaVilla transportation center</li> <li>Other transportation projects</li> <li>Three residential projects (661 units)</li> <li>Laura Street Trio (mixed-use)</li> </ul>
<b>Tampa, FL</b>	<p>Significant projects completed</p> <ul style="list-style-type: none"> <li>Arris Tampa, 34-story tower, 80 residences</li> <li>Virage Bayshore, 24-story 71 units</li> </ul>	<p>Projects underway and planned include:</p> <ul style="list-style-type: none"> <li>4100 proposed new MFUs</li> <li>Water Street District</li> <li>Heron</li> </ul>
<b>West Palm Beach, FL</b>	<ul style="list-style-type: none"> <li>Clematis Streetscape</li> <li>Rosemary Square (formerly CityPlace)</li> </ul>	<ul style="list-style-type: none"> <li>One West Palm, Mixed-use 30 story project</li> <li>One Flagler Tower, 25-story office project</li> </ul>
<b>Cincinnati, OH</b>	<p>Significant projects completed since 2000 include:</p> <ul style="list-style-type: none"> <li>Horseshoe Casino</li> <li>Great American Ballpark</li> <li>Riverfront Park Great American Insurance Tower (office)</li> <li>The Banks riverfront (mixed use), Ph. 1</li> <li>National Underground RR Freedom Center</li> <li>Streetcar line (3.6 miles)</li> </ul>	<p>Projects underway and planned include:</p> <ul style="list-style-type: none"> <li>The Banks, future phases</li> <li>30 story apartment and retail project Washington Park Reno</li> <li>Music Hall</li> </ul>

Source: Jacksonville Downtown Vision; City of Cincinnati, OH; City of Kansas City, MO; City of Louisville, KY; Tampa Downtown Partnership, FL; City of West Palm Beach, FL; RMA; Willdan, 2022

Downtown Jacksonville Market Feasibility Study

City	Completed Downtown Investments and Projects	Downtown Projects Underway and Planned
<p><b>Kansas City, MO</b></p>	<p>Power &amp; Light District                      Kaufman Center for the Arts                      IRS Service Center                      T-Mobile Center, formerly Sprint Center                      Federal Reserve Bank                      H&amp;R Block HQ Building                      KC Convention Center addition                      Streetcar line (2.2 miles)</p>	<p>Underway and planned, includes:                      East Village mixed use development                      2.8 million square feet of office space                      4,900 housing units</p>
<p><b>Louisville, KY</b></p>	<p>Lynn Stadium                      KFC Yum Center and Garage Muhammad Ali Center                      Fourth Street Live (Phase 1)                      Waterfront Park Place (residential)                      Louisville Slugger Field                      Waterfront Park expansion (30 acres)</p>	<p>Significant projects underway and planned include:                      Museum Plaza high-rise office/housing/hotel                      Nucleus Innovation Park (health sciences)                      Center City mixed use development                      Liberty Green housing                      Downtown Arena                      Riverpark Place condo/marina                      East Main Office Towers</p>

Source: Jacksonville Downtown Vision; City of Cincinnati, OH; City of Kansas City, MO; City of Louisville, KY; Tampa Downtown Partnership, FL; City of West Palm Beach, FL; RMA; Willdan, 2022

## Leadership and Best Practices

Strong private and public-sector leadership supported by local/regional champions of Downtown redevelopment are hallmarks of successful place-based investment and marketing.

The Florida cities' downtowns profiled in the case study analysis are all Community Redevelopment Areas (CRA's) and very similar to Jacksonville's diverse Overlay Districts.

These CRA's were instrumental in the redevelopment efforts of their downtowns, collaborating with the City's economic development agencies.

Both Tampa and West Palm Beach participate with a private economic development agency, funded heavily by corporate participation from within the community. While the Florida cities have the advantage of CRA structures, the cities profiled outside of Florida also have created comparable land secured value capture mechanisms to create dedicated funding streams for Downtown revitalization initiatives.

Downtown development and marketing in Cincinnati and Louisville are led by private non-profit organizations with boards of directors and memberships composed mainly of downtown business executives and academic leaders. These organizations include public officials in ex-officio roles, with some operating funds provided by local government with oversight from elected officials.

## Peer Cities Downtown Redevelopment Best Practices

- Proactive and strategic approach to redevelopment driven by product type and location
- Strategic public-private partnerships that maximize each other's capital and institutional capabilities
- Clarity of opportunities, expectations, and the timing of the development process for the development community
- Developer incentives programs that prioritize catalytic/catalytic anchor sites and neighborhood benefit goals and objectives
- Targeted and strategic marketing/outreach initiatives

### Cincinnati, OH

Downtown marketing and development are led by two (2) non-profit organizations.

Downtown Cincinnati, Inc. (DCI) is primarily responsible for marketing, promotion, and event programming. DCI also manages the Downtown Cincinnati Improvement District (DCID), a BID with a \$3.3 million annual budget for services.

The Center City Development Corporation (3CDC) has primary responsibility for facilitating investment and development. 3CDC administers two development funds including the Cincinnati New Markets Fund and the Cincinnati Equity Fund.

These private investment funds are used for downtown redevelopment and economic development projects in distressed neighborhoods. 3CDC's four strategic goals are to create great civic spaces, create high-density mixed-use development, preserve historic structures and streetscapes, and build diverse mixed-income neighborhoods supported by local businesses. Since 2004 over \$843 million has been invested in these projects.

### Kansas City

The Downtown Council of Kansas City (DCI) is the lead organization for marketing and facilitating downtown development. The downtown area also has two BID districts and organizations: the larger Downtown Community Improvement District, encompassing a 165-block area, and the River Market Community Improvement District, covering a 35-block area.

The Kansas City Business Customer Service Center or "KCBizcare" opened in 2009 to provide enhanced services to the small business community. The center was established under the City Manager's Office to provide small business resources including: "roadmaps" to open a business; access to city computers (property searches, zoning information, city records, and online application submissions); referrals to city departments, agencies and other regulatory and assistance organizations; and staff to provide guidance navigating the city's licensing, permitting, and approval processes.

### Louisville, KY

Louisville is building on its successes through the creation of a "Downtown Development Team", a strategic partnership between Louisville Forward, the city's economic development agency, and Louisville Downtown Partnership. Louisville's recent announcement of the Downtown Revitalization Team is a leading example of the city's commitment to a pro-growth, pro-business culture of facilitating successful downtown development with public incentives, public infrastructure investment, and effective development and investment outreach.

### Tampa, FL

The Tampa Bay Metro Area is home to 20 corporate headquarters with over \$1 billion in annual revenue, eight of which are Fortune 1000 companies. Corporate tenants downtown, including the University of South Florida and Tampa General Hospital, have partnered with the City of Tampa to create the future anchor of the Water Street District. including the new USF Health Morsani College of Medicine and Heart Institute.

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Tampa has also invested in a multi-pronged approach to support their growing IT industry. Tampa Bay Tech is a technology council that works to implement strategic priorities and hold events. Tampa Bay WaVe is an IT coworking space and accelerator, and USF Connect is a program providing workers, education, research, and other support to IT businesses.

### West Palm Beach

The West Palm Beach Downtown Development Authority (DDA) was created in 1967 as an independent special taxing district to promote and enhance a safe, vibrant downtown for residents, businesses, and visitors through the strategic development of economic, social, and cultural opportunities.

The City of West Palm Beach is directing resources to focus on improving their streets and infrastructure. Ocwen Financial Corporation and American Sugar Refining influence local and state politics considerably with their active participation in economic development activities.

## Peer Cities Comparisons: Lessons Learned

The peer cities comparison provides a quantitative assessment of key downtown revitalization metrics for evaluation in future Downtown Jacksonville redevelopment planning and policy initiatives.

It is important, however, to evaluate Jacksonville's future opportunities beyond quantitative comparisons of metrics and tactical-level incentive programs. To foster mixed-use development and historic adaptive reuse, public stakeholders should integrate other factors and strategic approaches to foster catalytic private real estate development activity.

Each of the peer cities analyzed illustrates how the tactical combination of leadership, strategy, clarity, strong strategic partnerships, and creativity serves to attract real estate investment and development.

## VII. DOWNTOWN JACKSONVILLE INCENTIVES ANALYSIS

### Introduction

The following analysis of incentives available for real estate development or redevelopment in Downtown Jacksonville is provided as a baseline assessment of the DIA incentives program performance against 2014 goals according to the performance measures established in the CRAs’ Business Investment and Development Strategy.

To undertake this assessment, the DIA provided a summary overview of the incentives program’s structural changes since 2014. Performance measures data was collected from the DIA, DVI, the City of Jacksonville, CoStar, and ESRI for 2020 (or the most recent year available).

The DIA incentives program’s performance is evaluated by comparing the net change between 2014 and 2020 against the 2021 target to determine if the indicator has remained the same or is increasing/decreasing according to the goals and objectives established by the BID strategy.

### Incentive Performance

Benchmarking against these overarching Performance Measures categories for Downtown inform evaluation of the effectiveness of the DIA’s incentive programs.

Table 31: DIA/COJ Developer Incentives, 2021

Primary Developer Incentive Programs:
DIA Market Rate Multi-Family Housing REV Grant
Retail Enhancement Grant Program
FAB-REP (Subset of Retail Enhancement Grant) – New Program- Targeted Retail Activation: Food & Beverage Establishments
Storefront Façade Grant
Sidewalk Enhancement Grant (Subset of FAB-REP Program) – New Program
Downtown Preservation and Revitalization Program (DPRP) – New Program
Commercial Revitalization Program (CRP)
DIA Strategic Housing Area Designation
DIA Multi-Family Housing REV Grant
COJ Recapture Enhanced Value Grant (REV)
Other COJ/OED/State of Florida or Federal Programs
Low-Volume Incentives
The Downtown Historic Preservation and Revitalization Trust Fund (Scheduled to sunset 1/20/2021)
Sale-Leaseback Incentive
DIA – Downtown Residential Rental Incentive Program – “Live, Work, & Play Downtown”
DIA Downtown Down-Payment Assistance Program (DPA)

Source: DIA; Willdan, 2021

## Downtown Investment Authority-Administered Incentive Programs

### Overview

The DIA identified six primary developer incentive programs that target revitalization and growth in downtown Jacksonville. Several of these programs are new and others are modified or have evolved from prior incentive programs. Following is an overview of the DIA's core programs as of April 2021.

#### DIA Market Rate Multi-Family Housing REV Grant

Modeled after the Office of Economic Development (OED) REV Grant, this is a new incentive to encourage Downtown multifamily development of projects with a minimum of 25 units.

There are other variations of the REV Grant Program available in downtown. In general, the REV Grant Program is designed to attract private capital investment and redevelopment to project sites. They can apply to various types of development (office, multifamily) and apply to standard or economically distressed areas. Census tract areas are deemed economically distressed if either of the conditions applies:

- Unemployment is 125 percent of Duval County's unemployment rate. Duval County's current unemployment rate is 8.6 percent, rendering the

unemployment threshold to be 10.75% to be considered economically distressed<sup>2</sup>

- Household income is equal or less than 60 percent of Duval County's median household income. Current HH income is \$49,196, rendering the household income threshold to be \$29,517

Areas are considered "Level One" if one criterium is met and "Level Two" if both criteria are met. The classification of being in an "economically distressed" area and the specific level impacts the maximum amount of funding.

#### Downtown Retail Enhancement Grant Program

Launched in 2014, this program was designed to create and then sustain momentum for development of restaurant, retail, and creative office space in the Northbank Core Retail Enhancement Area. The program is considered fundamentally important to the success of downtown. In 2019 the program was expanded to incorporate the Southbank Core Retail Enhancement Area.

This primary umbrella grant serves as an entry point for targeted retail incentives by location of use (FAB-REP and Sidewalk Enhancement Programs). The DIA evaluates this program annually to refine the guidelines.

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<sup>2</sup> City of Jacksonville, Office of Economic Development, Public Investment Policy, June 2016 (administratively updated November 2019).

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### Food and Beverage Retail Enhancement Program (FAB-REP)

The Downtown Investment Authority's Targeted Food and Beverage Retail Enhancement Program (FAB-REP) was created to cluster restaurants and bars within two distinct, walkable areas of the Downtown Central Core:

Laura/Hogan Street Corridor and The Elbow Entertainment District Corridor

As a subset and enhanced/additional incentive to the Retail Enhancement Grant Program, the FAB-REP program specifically focuses on recruiting and improving food and beverage establishments with a priority for full-service restaurants in the downtown target areas.

As of 2020, the program incentivizes investment through five-year forgivable loans to be scaled by type of business. Eligibility requirements include dedicated hours of operation, service type, size and locations with ground-level access and street visibility.

### Storefront Façade Grant

This DIA grant program aims to activate and improve the streetscape in Downtown's Historic District by funding physical improvements to the exterior of primarily ground level storefronts.

### Sidewalk Enhancement Grant

This grant is an additional subset and enhanced/additional incentive to the baseline Retail Enhancement Grant Program, offered primarily to recipients of the FAB-REP grant. This grant provides up to \$15,000 to spur the creation of outdoor spaces that enhance the sidewalk experience, such as tables, chairs, and other furniture, lighting, greenery, umbrellas, and awnings.

### Downtown Preservation and Revitalization Program (DPRP)

The goal of the Downtown Preservation and Revitalization Program (the "DPRP") is to foster the preservation and revitalization of unoccupied, underutilized, historic, and/or qualified non-historic buildings located in downtown Jacksonville. The program offers two types of incentive disbursements (loan and forgivable loan) across three sub programs. This program's minimum investment threshold for historic projects is \$100,000, while non-historic projects must address code compliance issues. Projects must also address two downtown Community Redevelopment Area Goals:

**Redevelopment Goal No. 1:** Reinforce Downtown as the City's unique epicenter for business, history, culture, education, and entertainment. Program specific emphasis will be placed on retail activity, food and beverage establishments, culture, and entertainment including the activation of open spaces.

**Redevelopment Goal No. 2:** Increase rental and owner-occupied housing downtown, targeting key demographic groups seeking a more urban lifestyle. Building on the success of growth in multifamily housing across the downtown corridor, providing additional housing units in historic buildings contributes to the unique residential atmosphere of our City and the opportunity to maximize Jacksonville's historic attributes.

The DPRP program targets projects that demonstrate of the highest level of interest and benefits for residents and visitors to the City, and the greatest impact on enhancing demand for surrounding properties, thus stimulating additional investment in development/redevelopment activity.

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Table 32: City of Jacksonville, FL Developer Incentives Programs

Incentive Structural Elements	DIA Market Rate Multi-Family Housing REV Grant	Downtown Retail Enhancement Grant Program	FAB-REP	DIA Storefront Façade Grant	Sidewalk Enhancement Grant	Downtown Preservation and Revitalization Program (DPRP) <sup>3</sup>
<b>Target Sectors:</b> Office, Retail, Residential, Hotel	Multifamily Residential	Retailers, restaurants, and creative office spaces	Food and beverage establishments	Retail, restaurants	Food and beverage establishments	Unoccupied, underutilized, and/or deteriorating historic, and qualified non-historic, buildings
<b>Target Area</b>	Downtown	Northbank Core Retail Enhancement Area Southside Core Retail Enhancement Area	The Elbow Logan & Laura Districts Targeted street frontages	Downtown Jacksonville Historic District	The Elbow Logan & Laura Districts Targeted street frontages	DIA Boundary
<b>Eligibility Requirements</b>	25 units or more	Costs related to renovating/preparing commercial space or retaining/ recruiting businesses (operations) Businesses or property owners eligible	Hours of operation Tiers of qualification Size Ground level access / street visibility	Street frontage on public street Ground floor Costs related to exterior physical improvements	Recipient of FAB-REP grant (full amount) Outdoor dining materials, furniture, décor Plan to protect assets for 5 years	Meet CRA and DIA goals and objectives Demonstrated prior successful experience

<sup>3</sup> The DPRP includes three different incentive components with varied award maximums and payment methods. The three components are as follows: Historic Preservation Restoration and Rehabilitation Forgivable Loan (HPRR Forgivable Loan), Code Compliance Renovations Forgivable Loan (CCR Forgivable Loan), and DPRP Deferred Principal Loan (DPRRP DPL, for purposes of this chart)

Downtown Jacksonville Market Feasibility Study

Incentive Structural Elements	DIA Market Rate Multi-Family Housing REV Grant	Downtown Retail Enhancement Grant Program	FAB-REP	DIA Storefront Façade Grant	Sidewalk Enhancement Grant	Downtown Preservation and Revitalization Program (DPRP) 3
<b>Form of Incentive (Cash, TIF, Tax Credit, Loan)</b>	Real Estate Tax Recovery	Recoverable Grant (amortized over 5 years)	Forgivable Loan (5-year term)	Grant or Forgivable Loan	Forgivable Loan (5-year term)	Forgivable Loan (HPRR and CCR) Loan (DPRP DPL)
<b>Min/Max Developer Investment</b>	25 units	Min: \$10,000	Min: 25% of eligible improvements or equivalent rent concession	Not Applicable	Min: 25% of eligible improvements or equivalent rent concession	Not Applicable
<b>Min/Max Incentive Value</b>	<p>Max: Up to 75% of City/County portion of incremental increase in taxes over 15 years</p> <p>TBD Amount based on maximizing underutilized assets, SHA, green space and amenities, mixture of uses</p>	Max: \$20 / leased or occupied SF, not to exceed 50% of total construction cost	<p>Max: 50% of build-out costs</p> <p>Type 1 Max: \$65/sf, up to \$400,000</p> <p>Type 2 Max: \$50/sf up \$200,000</p> <p>Type 3 Max \$40/sf up to \$100,000</p> <p>Bonus: +\$20/psf if historic landmark</p>	<p>\$30 / SF of façade</p> <p>Max: 50% of eligible costs / \$75,000</p>	<p>80% of eligible outdoor improvements, not to exceed \$15,000</p> <p>If not eligible for FAB-REP, then max \$5,000</p>	<p>Min: \$100,000</p> <p>HPRR Max: 20 – 75% of cost pending type of work, up to 30% of TDC4</p> <p>CCR Max: 75% of eligible costs, up to 25% of TDC (no historic status) or 30% of TDC (if historic)</p> <p>DPRP DPL Max: 20% of TDC</p>

<sup>4</sup> Total Development Cost (TDC)

Downtown Jacksonville Market Feasibility Study

Incentive Structural Elements	DIA Market Rate Multi-Family Housing REV Grant	Downtown Retail Enhancement Grant Program	FAB-REP	DIA Storefront Façade Grant	Sidewalk Enhancement Grant	Downtown Preservation and Revitalization Program (DPRP) 3
						DPRP DPL Min: > 20%of gap funding <sup>5</sup> .
<a href="#">Link to Incentive Program Application</a>	<a href="https://www.coj.net/departments/office-of-economic-development/docs/public-investment/final_pip-06-28-2016_11-21-2019_update_ada.aspx">https://www.coj.net/departments/office-of-economic-development/docs/public-investment/final_pip-06-28-2016_11-21-2019_update_ada.aspx</a>	<a href="https://dia.coj.net/development/Commercial-Incentives/Retail-Enhancement-Grant-Program">https://dia.coj.net/development/Commercial-Incentives/Retail-Enhancement-Grant-Program</a>	<a href="https://dia.coj.net/Doing-Business-With-Us/Doing-Business-With-DIA/Commercial-Incentives/Food-Beverage-Program/DIA_FAB-REP-Application_FINAL(2).aspx">https://dia.coj.net/Doing-Business-With-Us/Doing-Business-With-DIA/Commercial-Incentives/Food-Beverage-Program/DIA_FAB-REP-Application_FINAL(2).aspx</a>	<a href="https://dia.coj.net/Doing-Business-With-Us/Doing-Business-With-DIA/Commercial-Incentives/Storefront-Facade-Grant-Program">https://dia.coj.net/Doing-Business-With-Us/Doing-Business-With-DIA/Commercial-Incentives/Storefront-Facade-Grant-Program</a>	<a href="https://dia.coj.net/Doing-Business-With-Us/Doing-Business-With-DIA/Commercial-Incentives/Sidewalk-Enhancement-Forgivable-Loan/Sidewalk-Enhancement-Grant-Standalone_FINAL.aspx">https://dia.coj.net/Doing-Business-With-Us/Doing-Business-With-DIA/Commercial-Incentives/Sidewalk-Enhancement-Forgivable-Loan/Sidewalk-Enhancement-Grant-Standalone_FINAL.aspx</a>	<a href="https://dia.coj.net/Doing-Business-With-Us/Doing-Business-With-DIA/Commercial-Incentives/Downtown-Preservation-Revitalization-Program/2020-527-Revised-Exhibit-1-(DPRP-Guidelines)-as-Ap.aspx">https://dia.coj.net/Doing-Business-With-Us/Doing-Business-With-DIA/Commercial-Incentives/Downtown-Preservation-Revitalization-Program/2020-527-Revised-Exhibit-1-(DPRP-Guidelines)-as-Ap.aspx</a>

<sup>5</sup> The DPRP Deferred Principal Loan amount shall be determined by the gross funding gap found in the Total Development Costs (TDC) with a requirement that the amount will be not less than 20% of gap funding requirement in any development plan where developer equity (net of developer fee) is less than 25% of TDC. Source

Downtown Jacksonville Market Feasibility Study

Incentive Structural Elements	DIA Market Rate Multi-Family Housing REV Grant	Downtown Retail Enhancement Grant Program	FAB-REP	DIA Storefront Façade Grant	Sidewalk Enhancement Grant	Downtown Preservation and Revitalization Program (DPRP) 3
<b>Other Notes</b>	<p>Quarterly compliance and monitoring</p> <p>Modeled after OED Rev Grant Incentive</p>	<p>Thorough and clear evaluation and application elements</p> <p>Consistent with the Downtown Master Plan and the Downtown Overlay Zone</p> <p>In form of expenditure reimbursement</p>	<p>New Program</p> <p>Subset of Retail Enhancement Grant</p> <p>Payable upon completion</p> <p>Limits per tier</p> <p>Tiers prioritize full-service, hours etc.</p>	<p>Physical improvements</p>	<p>5-year compliance and monitoring period</p> <p>New Program</p> <p>Type of FAB-REP funding within Retail Enhancement Grant</p>	<p>Demonstrate gap financing need if &gt; \$1 million</p> <p>All other DIA programs may not exceed 10% of funding</p>

Source: City of Jacksonville Downtown Investment Authority; DVI; Willdan, 2021

## Other City of Jacksonville Incentive Programs

### Overview

Additional City of Jacksonville and Office of Economic Development, State of Florida and other federal programs are available to incentive development downtown Jacksonville.<sup>6</sup>

#### City of Jacksonville and Office of Economic Development Incentives:

- COJ Industrial Revenue Bonds (IRB)
- COJ Tax Increment District (TID) Infrastructure Development
- COJ Business Infrastructure Grant/Loan (BIG)
- COJ Large Scale Economic Development Fund
- COJ Small Business Development Initiative (SBDI)

#### Duval County Development Incentives

Many of the City of Jacksonville programs also apply to County-wide or are enabled by the County.

#### State of Florida Development Incentives

- Florida Flex grant Programs (FKA: Quick Response Training Program)
- Quick Action Closing Fund
- Economic Development Transportation Fund (EDFT)

- Capital Investment Tax Credit (CITC)
- High Impact Performance Incentive Grant (HIPI)
- Qualified Target Industry Tax Refund (QTI)
- State Housing Initiatives Partnership (SHIP)
- State Apartment Incentive Loan Program (SAIL)
- Mortgage Revenue Bonds for Rental Housing
- Innovation Incentive Program
- Qualified Defense & Space Contractor Tax Refund (QDSC)
- Sales and Tax Use Exemptions on Machinery and Equipment
- Sales Tax Exemption on Electricity Used in Manufacturing Process

#### Federal Development Incentives

- Opportunity Zones
- Work Opportunity Tax Credit (WOTC)
- New Markets Tax Credits
- Historic Rehabilitation Tax Credit
- Low-Income Housing Tax Credit Program (LIHTC)

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<sup>6</sup> <https://investdtjax.com/tools-resources/incentives/>

## Downtown Jacksonville Market Feasibility Study

### : Other City of Jacksonville, FL Developer Incentives Programs

Program Structural Characteristics	DIA Commercial Revitalization Program (CRP)	DIA Strategic Housing Area Designation	DIA Multifamily Housing REV Grant	COJ Recapture Enhanced Value Grant (REV)
<b>Target Sector (Office, Retail, Residential, Hotel)</b>	Office or retail space leases	Residential	Multifamily Residential (workforce housing and mixed-income affordable)	Targeted industry clusters
<b>Target Area</b>	Downtown Jacksonville	Defined Strategic Housing Areas (SHAs) within: Northbank CRA Southside CRA	Northbank CRA Southside CRA	Downtown
<b>Form of Incentive (Cash, TIF, Tax Credit, Loan)</b>	Real Estate Tax Recovery (Grant)	DIA designation of SHA enables eligibility for bonus or additional incentives	Real Estate Tax Recovery (Grant)	Tax Recovery Grant
<b>Min/Max Developer Investment</b>	Min: Ranges from \$5 / sf to \$35 / sf pending nature and term of lease	n/a	Max: 75% of the incremental increase of City/County taxes over 15-year period	Min: 10 new full-time jobs (wages > 100% FL avg wage) Min: \$3 million
<b>Min/Max Incentive Value</b>	Max: Lesser of: 75% of tax liability, and \$2.50 / sf (2-year phase out) Grant term, depending on lease term	n/a	Max: Up to 75% of City/County incremental tax increase TBD by # units total and # of workforce units	50% of increment, up to 10 years Project 100+ new jobs and \$10+ million capital investment, eligible for more
<b>Eligibility Requirements</b>	Tenant not received CRP for previous space (expansion exemption) Not available for move within downtown	n/a	Provide workforce housing, or Provide mixed-income affordable housing	Maintain jobs Target Industry

## Downtown Jacksonville Market Feasibility Study

Program Structural Characteristics	DIA Commercial Revitalization Program (CRP)	DIA Strategic Housing Area Designation	DIA Multifamily Housing REV Grant	COJ Recapture Enhanced Value Grant (REV)
	Not eligible for space with outstanding Retail Enhancement Program grant		If mixed income, must leverage at least 1 other affordable housing financing method	
<a href="#">Link to Incentive Program Application</a>	<a href="https://dia.coj.net/development/Commercial-Incentives/Commercial-Revitalization-Program-(CRP)">https://dia.coj.net/development/Commercial-Incentives/Commercial-Revitalization-Program-(CRP)</a>	<a href="https://dia.coj.net/development/Residential-Incentives/Strategic-Housing-Area-Designation">https://dia.coj.net/development/Residential-Incentives/Strategic-Housing-Area-Designation</a>	<a href="https://dia.coj.net/development/Residential-Incentives/Multi-Family-Housing-REV-Grant">https://dia.coj.net/development/Residential-Incentives/Multi-Family-Housing-REV-Grant</a>	<a href="https://www.coj.net/departments/office-of-economic-development/docs/public-investment/final_pip-06-28-2016_11-21-2019_update_ada.aspx">https://www.coj.net/departments/office-of-economic-development/docs/public-investment/final_pip-06-28-2016_11-21-2019_update_ada.aspx</a>
<b>Other Notes</b>	Application filed before lease signed	Shall continue as needed	Modeled after OED REV grant Clear monitoring and reporting process Applications above/below 75% of tax increment are reviewed by DIA staff/board for a potential resolution	Paid annually after completed May be used to fund City match to state programs, if required

Sources: City of Jacksonville Downtown Investment Authority, Willdan, 2020.

## Other City of Jacksonville Incentive Programs

### Overview

As the City of Jacksonville and the DIA continue to adapt and evolve in an every-changing downtown market, programs are actively reviewed for continuation. Since the adoption of the 2014 CRA Business Investment and Development Plan, the DIA reports that four programs are either sunsetting, dormant or underfunded: DIA Downtown Preservation and Revitalization Trust Fund; DIA Sales-Leaseback Incentive; DIA – Downtown Residential Rental

Incentive Program; and the DIA Downtown Down-Payment Assistance Program (DPA).

Among these four, the unfunded Downtown Preservation and Revitalization Trust Fund that targets projects requesting less than \$100,000, was conceptually replaced by DIA’s previously detailed Downtown Preservation and Revitalization Program incentive program in 2020 that emphasizes larger (\$100,000+) projects.

## Downtown Jacksonville Market Feasibility Study

Table 33: City of Jacksonville, Other Developer Incentives Programs, 2021

Program Structural Characteristics	DIA Downtown Preservation and Revitalization Trust Fund	DIA Sales-Leaseback Incentive	DIA – Downtown Residential Rental Incentive Program	DIA Downtown Down-Payment Assistance Program (DPA)
<b>Target Sector (Office, Retail, Residential, Hotel)</b>	Unoccupied, underutilized, and/or deteriorating historic, and qualified non-historic, buildings	Office	Primary residence (rental)	Primary residences (home ownership)
<b>Target Area</b>	Downtown DIA boundaries	Downtown	Northbank CRA Southside CRA	Northbank CRA Southside CRA
<b>Form of Incentive (Cash, TIF, Tax Credit, Loan)</b>	Grant (forgiven with claw-back in event of sale, transfer, or default)	Payment to development build-to-suite facility or renovated existing	Subsidy in form of rental voucher	0% lien mortgage
<b>Min/Max Developer Investment</b>	See program guideline details	n/a	Property manager receives voucher from tenant and collects reimbursement quarterly in arrears from DIA	Min: 2.5% of purchase price
<b>Min/Max Incentive Value</b>	Max: Range of 20% to 75% of eligible costs pending the type of work, up to \$100,000	DIA leases back space for below market rent	Renter Value: \$200 / month for 3 years total = \$7,200 Renter downtown workforce bonus = +\$50 Renter SHA bonus = +\$50 Property Manager: receives 105% of voucher value	Max: 10% of purchase price, up to \$20,000
<b>Eligibility Requirements</b>	Landmark designation Downtown location Exterior and interior restoration/rehab Code compliance work	n/a	HH incomes < 150% AMI (\$66,450 for 1 person HH) Not lived in downtown in past 2 years	HH incomes < 150% AMI (\$66,450 for 1 person HH)

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Program Structural Characteristics	DIA Downtown Preservation and Revitalization Trust Fund	DIA Sales-Leaseback Incentive	DIA – Downtown Residential Rental Incentive Program	DIA Downtown Down-Payment Assistance Program (DPA)
			Employed in Northbank or Southside CRA areas <i>if</i> seeking the workforce bonus	
<b>Link to Incentive Program Application</b>	<a href="https://dia.coj.net/Doing-Business-With-Us/Doing-Business-With-DIA/Downtown-Historic-Preservation-and-Revitalization/2020-527-Exhibit-2-(Revised-HPRTF-Guidelines)-as-A.aspx">https://dia.coj.net/Doing-Business-With-Us/Doing-Business-With-DIA/Downtown-Historic-Preservation-and-Revitalization/2020-527-Exhibit-2-(Revised-HPRTF-Guidelines)-as-A.aspx</a>	<a href="https://dia.coj.net/development/Commercial-Incentives/Sale-Leaseback-Incentive">https://dia.coj.net/development/Commercial-Incentives/Sale-Leaseback-Incentive</a>	<a href="https://dia.coj.net/development/Residential-Incentives/Downtown-Residential-Rental-Incentive-Program">https://dia.coj.net/development/Residential-Incentives/Downtown-Residential-Rental-Incentive-Program</a>	<a href="https://dia.coj.net/development/Residential-Incentives/Down-Payment-Assistance-Program-(DPA)">https://dia.coj.net/development/Residential-Incentives/Down-Payment-Assistance-Program-(DPA)</a>
<b>Other Notes</b>	Paid upon completion of individual improvements Forgiven 20% annually over 5 years	DIA sells building to investor above construction cost, lease back the space, issues sublease to employer		Due on sale, transfer, refinancing, or securing other debt

Sources: City of Jacksonville Downtown Investment Authority; RMA; Willdan, 2020

## DIA Incentives Awards (2016-2020)

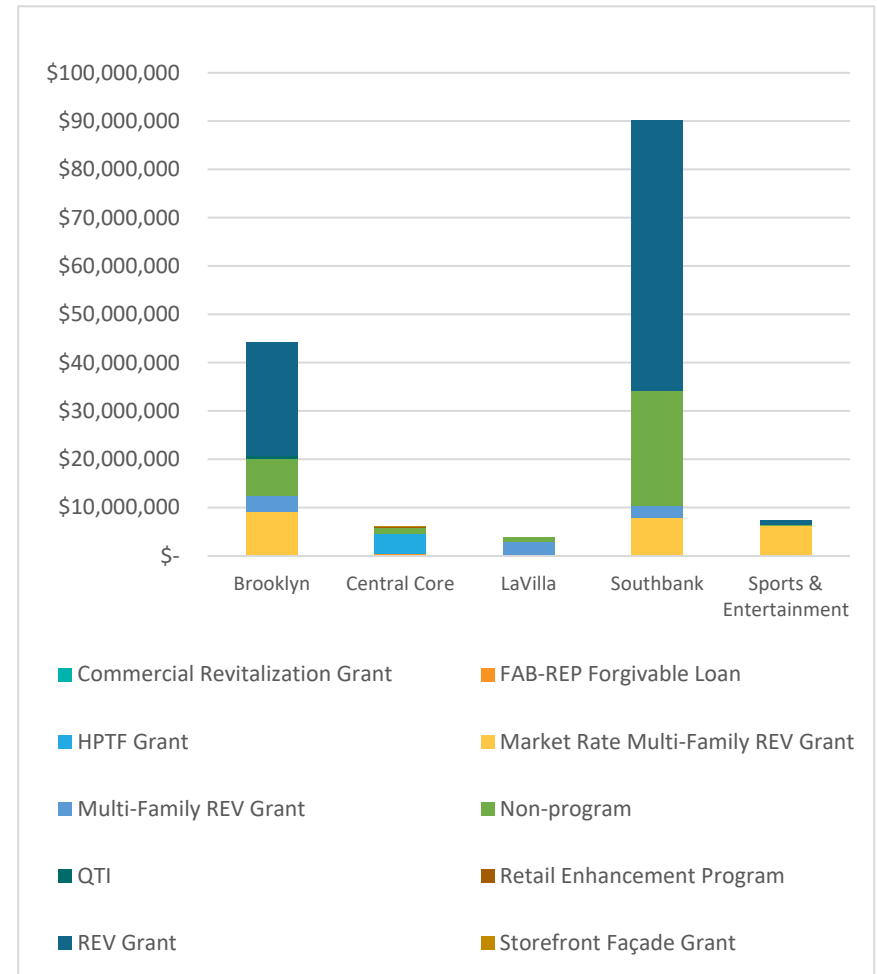
Measuring the effectiveness of the DIA’s incentives programs requires analysis of market response to development opportunities by District and by type of incentive.

It is important to note that the performance of the DIA’s core incentives programs should be considered in the context of limiting factors. First, the DIA responds to all incentive program applications submitted. Due to the Covid-19 pandemic, there has been no opportunity to launch a targeted development/investment campaign at the neighborhood level.

Furthermore, the Storefront Façade Grant, FAB-REP Targeted Retail Activation, and Sidewalk Enhancement Programs were adopted by the DIA/COJ in July 2020 at the height of the Covid-19 pandemic and development projects have in large part been put on hold. Accordingly, it is too early to make a definitive determination of these programs’ performance.

According to data provided by the DIA and illustrated in Figure 54, the REV Grant Program generated the greatest level of funding activity since 2016. This program was primarily utilized in the Brooklyn, Southbank and Sports and Entertainment Districts. Note that the data is reporting for awarded incentives, some of which are not yet dispersed, so comparison to specific development activity is not possible. Non-program funds and the Market Rate Multi-Family REV Grant Program follow as the second highest award values, but with a wider geographic reach across Brooklyn, Central Core, LaVilla, Southbank, and the Sports and Entertainment Districts.

Figure 54: DIA Incentives Activity (2016-2020)<sup>1</sup>



<sup>1</sup> Includes incentives awarded but not yet dispersed; excludes the Historic Preservation & Revitalization Program adopted in October 2020.

Source: DIA; Willdan, 2021

## Incentive Performance

Ongoing monitoring of and reporting on established DIA Performance Measures provides a framework for evaluation of the effectiveness of the DIA's incentive programs. All figures below are reported for 2013 and 2020, and then compared against the 2021 target to allow for consistency in complete data sets for the most recent data available.


The performance results are categorized as meeting or exceeding performance targets or requires further monitoring and evaluation.





**meets or exceeds performance  
targets**





**requires further monitoring and  
evaluation**

**Employment:** Downtown employment increased from 48,607 jobs in 2013 to 56,972 in 2020, indicating a net change of 8,363 and substantially exceeding the 2020 goal of 53,953. 

**Residents:** Growth in Downtown residents is on pace to meet the 2021 performance goal, a net increase of 2,407 persons. The current total is 233 residents less than the 2021 target – a figure anticipated to be exceeded following occupancy of housing units currently under construction. 

**Multifamily Units:** as a key goal for the DIA's mission to catalyze Downtown development, 1,953 new multifamily units were constructed since 2013, a figure currently 164 units less than the 2021 target that will be exceeded with units currently under construction. 

**Business Establishments:** Downtown Jacksonville attracted 1,265 new businesses since 2013 – 1,144 businesses more than the target. 

**Retail Space Vacancy:** The decrease in retail vacancy from 37% to 6% far exceeds the target of 33% vacancy. While the vacancy rate is reportedly low (and in line with pent up demand), the Downtown continues to experience product gaps across all subsector targets including apparel, dining, grocery, pharmacy, and other specialty/neighborhood-serving amenities. 

## Downtown Jacksonville Market Feasibility Study

**Increased Tax Value:** The 2013 total taxable value of \$1,223.9 million increased to \$1,890.7 in 2020, resulting in a net increase of \$666.8 million. The 2021 performance measure target value is \$1,564.9 million, or a net increase of \$341 million from the 2013 baseline. As of Q3 2021, the City of Jacksonville reports total taxable value of \$1,912.9 million (approximately \$348 million more than the 2021 target value). ✓

**Outdoor Seating Establishments:** DVI verified a count of 38 outdoor dining establishments, exceeding the 2021 target of 25 establishments. ✓

**Tourism Indicators:** data collected by Visit Jax for special events, attendance at special events, and annual visitors is not available due to the mandatory quarantine restrictions in place during 2020. These figures are excluded to allow for consistency in future projections and may be updated/normalized when the data is available. ⚠

**Hotel Occupancy:** A clear indicator of the impact of Covid-19 on the tourism industry is reflected by decline in hotel occupancy from 61% in 2013 to 40% in 2020 (less than the target rate of 67% that would indicate demand for new hotel product). ⚠

**Inactive COJ Assets (Acres):** A positive indicator of the effectiveness of the DIA's redevelopment policies is the reduction of 55 acres of inactive COJ land assets from 153 acres to 98 acres (only three acres less than the target of 95 acres). ✓

The following table provides the detailed data and sources supporting these findings.

**Figure 55: Example of Pipeline Development – Laura Street Trio Developer Rendering, 2021**



Source: EastWest Development LLC; Jacksonville Dailey Record, 2021

## Downtown Jacksonville Market Feasibility Study

Table 34: DIA Incentive Program Assessment – Performance Measures Against Goals (2014 to 2020)

	Downtown Performance Measures	2013 Baseline	2021 Target Performance	2020 Update	2013-2020 Net Change	2020 Results	2020 Data Source
1	Employment	48,607	53,953	56,972	8,365	✓	ESRI
2	Residents	3,730	6,370	6,137	2,407	✓	DT Vision State of Downtown
3	Multifamily Units <sup>1</sup>	1,898	4,015	3,851	1,953	✓	DT Vision State of Downtown
4	Business Establishments	1,100	1,221	2,365	1,265	✓	ESRI
5	Retail Space Vacancy	37%	33%	6%	-31%	✓	CoStar
6	Increased Tax Value	\$1,223,867,317	\$1,564,894,144	\$1,890,682,941	\$666,815,624	✓	DIA/COJ
7	Outdoor Seating Establishments	17	25	38	21	✓	DT Vision
8	Special Events <sup>2</sup>	611	730	data not available	n/a	⚠	Visit JAX
9	Attendance at Special Events <sup>3</sup>	1,254,550	1,601,652	data not available	n/a	⚠	Visit JAX
10	Annual Visitors <sup>4</sup>	9,186,487	9,704,180	data not available	n/a	⚠	Visit JAX
11	Hotel Occupancy	61%	67%	40%	-21%	⚠	STR/Visit JAX
12	Inactive COJ Assets (Acres)	153	95	98	-55	✓	DIA/Downtown City Owned Parcels Database

<sup>1</sup> Includes Townhomes.

<sup>2-4</sup> Data not collected due to impact of mandated Covid-19 pandemic quarantine/social distancing guidelines on special events.

Source: DIA; City of Jacksonville; DVI; Visit Jax; CoStar; STR; Willdan, 2021

## VIII. DOWNTOWN JACKSONVILLE MARKET FEASIBILITY CONCLUSIONS

As Downtown Jacksonville emerges from the Covid-19 pandemic, there is an opportunity for innovation and expanded public private partnerships. Building partnerships with the stakeholders and groups that impact growth, including investor/developers, businesses of all sizes, historic preservationists, organizations advancing technology, and natural resource advocates will continue to serve the area in forward thinking ways.

After decades of planning, Jacksonville has achieved the momentum necessary to advance increased access for the public to the St. Johns River to ensure it is physically and visually accessible. Investment and redevelopment initiatives leveraging this natural asset are cornerstones of opportunity and catalytic revitalization for the Downtown Jacksonville districts.

However, the underlying economic drivers related to the built environment that impact the feasibility of implementing plans and projects in Downtown Jacksonville are complex. According to real estate market data collection interviews, recent headlines announcing pending approvals and incentives for multiple mixed-use projects are a positive signal to developers looking to invest in Downtown Jacksonville.

Care must be taken to manage the message going forward to stress the assets, capital, and political consensus that Downtown Jacksonville has to offer to the development community.

Current incentives for smaller projects, using Tax Increment District funds, are adequate and used frequently, a positive sign for those programs. The subjectivity of larger projects, often requiring approval by Jacksonville City Council and funding through the City's General Fund, require additional approvals and associated scrutiny by elected officials, and the public in general.

**“Celebrate the river, through design, access, connectivity and placemaking.”**

**– Lori Boyer, CEO, Jacksonville Downtown Investment Authority**

**The Downtown Investment Authority continues to expand investment and development activity by refocusing the incentive programs to attract an optimal mix of multifamily residential, retail, office, and diverse hospitality according to the scale and character of each District.**

**All projects are envisioned to have access to ample public space and the St. John's River, both visually and physically.**

**This approach to targeting a variety of mixed-use projects embraces art and culture, spiritual and secular activities, sports and entertainment, technology, greenspace, and associated activities that promote urban health and wellness.**

**These are the ingredients for livability, creativity, and inclusive growth as a city.**

## Downtown Jacksonville Market Feasibility Study

Underwriting standards must be well-defined, with the final decision the result of careful vetting and strict adherence to established guidelines to demonstrate the project supports CRA goals and performance measures.

### Multifamily Development

The most significant barrier to new multifamily development is the rising cost of construction. High labor costs, increasing fuel costs, and rapidly rising material costs are fundamental issues impacting development economics. Regardless of the opportunities in Downtown Jacksonville, competition from suburban areas and other markets will not disappear when yields are strong, land is more available, and total capital requirements are often much lower.

Despite success in the growth of the residential population in Downtown Jacksonville, the lack of grocery and pharmacy options within walking distance, and low population density may limit continued growth going forward. Available land that is affordable for development and regulations that slow development timelines have also been of concern for the Downtown Jacksonville development community.

Education facilities for primary school children remains a need in Downtown Jacksonville, and there are some that view apartment living in urban areas less favorably for children and families due to misperceptions of higher crime rates in these areas.

These are common, but solvable, development barriers encountered across the country and in the reviewed comparable cities. Many are already recognized within the current array of incentive opportunities or found in discussions of proposed incentive programs.

### Retail Activation

Population density, national chain site selection requirements (income, educational attainment), and lack of opportunity for clustering brands are all factors that impact the retail market.

However, to understand retail in Downtown Jacksonville, the challenges affecting the industry must be understood. They include the increasing cost of channel development and messaging customers, the widening application of ecommerce, and efficiency challenges inherent to bricks-and-mortar retail locations – challenges that existed prior to, and then significantly exacerbated by, the Covid pandemic.

One of the constraints also facing retailers in Downtown Jacksonville today is a lack of critical mass necessary to promote the customer experience. Providing the quantity of options akin to St. Johns Town Center is difficult in a downtown setting, where rent levels and market exposure rates do not support operational viability, and the fragmented nature of ownership increase the challenges of developing a cohesive strategy.

Availability of capital is an increasing challenge for retail development as failure rates have risen along with ecommerce disruption. The pandemic and the inherently challenging business model for storefront retail have only heightened the level of scrutiny by the leading markets.

### Office Attraction

The challenging combination of Class BC office obsolescence, high vacancy rates, parking costs, competitive supply closer to the Southside office parks and the beaches area, and vagrancy are obstacles for downtown office attraction.

## Downtown Jacksonville Market Feasibility Study

These constraints are typical in central business districts and, as stated previously, redevelopment of older buildings is complicated and expensive. Continued efforts to incentivize historic renovations such as several that are under consideration or have been funded recently are highly effective. The Barnett Bank building and the proposed Laura Street Trio projects are excellent examples of how such programs contribute to revitalization of urban settings.

Parking and transportation issues are significant considerations that must be addressed for office development to occur. The Florida Blue Parking Garage is an example of smart planning with daytime use restricted to office workers, while after 6 p.m. and on weekends, the garage is open to the public. Legal obstacles can also hinder development, including easements and covenants that burden the properties. The Downtown Overlay of Jacksonville provides flexibility beyond what is found in many other metropolitan areas.

### Hotel Development

The leading constraints for new hotel development are currently historical occupancy rates below 67%, the location and size of Jacksonville’s convention center, and lack of retail/dining/entertainment to amenitized the hotel experience. Uncertainty and risk are exacerbated by the Covid-19 pandemic.

Business travel, conventions, and tourism drive hospitality development in downtowns. Covid-19 significantly impacted the tourism sector and full recovery will be challenged by ongoing variants and related travel restrictions (especially within the international travel sector).

Rising constructions costs and labor shortages are also pivotal in new development. Finding efficient and cost-effective ways to execute

development is a top priority in the hotel field. Other constraints that are part of the industry’s challenges include changing consumer demands. Data security, credit card fraud, compliance, and consumer protection laws make it difficult for hotel organizations to adapt quickly which has added to the problems hoteliers face today.

Efforts to revitalize the FAB-REP districts within the Downtown core and the Sports and Entertainment District will generate more visitors and activity to Downtown Jacksonville.

The historic redevelopments of the Laura Street Trio into a 145 room Marriott Autograph hotel and the Ambassador Hotel conversion into a 120-room hotel with a nationally recognized flag is indicative of the interest in Jacksonville and the confidence of the investment community.

A new Marriott Residence Inn is under construction in Brooklyn. The 136-room, seven-story hotel will be built on 1.8 acres and slated for completion in August 2021.

**To compete for hotel market visitors, development trends today point to an overarching finding that unique hotel design and programming are required to create an authentic “experience” for their guests.**

## Downtown Jacksonville Market Feasibility Study

Discussion and plans for a Four Seasons Hotel and Residences on the Shipyards and Kids Kampus property continues, with the marina in close proximity. The hotel proximity to cultural and sports venues is critical according to the developer of The Four Seasons project.

### Market Opportunities

Downtown Jacksonville's economy benefits from a critical mass of industries, especially in the financial technology and medical services/providers sector – industries generally less impacted by the Covid pandemic. Out of state workers considering relocating to a more favorable environment with a high quality of life that provides employment opportunities are looking at Jacksonville favorably. The City should continue to leverage and build upon Jacksonville's community assets and expand its national brand recognition as detailed in the "best of" rankings of being a welcoming, diverse, and inclusive community.

While the pandemic has caused the commercial real estate community to take a hard look at community transit networks, transit-oriented development projects are proven to provide positive impacts and strengthen communities. Accessible workspaces are key to the expansion of business. The regional transportation center and the innovation corridor provide Downtown Jacksonville with improved transportation options, mobility and walkability.

Redevelopment is the most difficult form of real estate development. It requires patience and, at times, funding resources to create a successful project. Many redevelopment projects that are underway and planned in the Downtown Jacksonville Central Core, Cathedral, LaVilla and Church Districts will need incentives to be successful, supported by a full and thorough analysis to

understand any financial gaps that exist and incentives that may provide a foundation for success. While these smaller projects will deliver lower numbers of units compared to those planned in the Brooklyn and Southbank, each will contribute a unique element within the Jacksonville residential landscape, helping promote a diverse, welcoming city that can effectively house its workforce.

Authenticity and localism are important to consumers and brands, and concepts need to resonate with the local community. Placemaking and storytelling create this experience, while design, music, scent, lighting and theater/action are all components of a successful district. Downtown walk scores are excellent and transit scores are considered good and will contribute to the downtown experience.

The fundamentals of economic activity including quality of the metropolitan transportation and infrastructure systems, education and workforce development, research and technology, the physical and social environment, and financing are all strong in Downtown Jacksonville.

One of the key ingredients for a diverse downtown is placemaking, drawing people to downtown for reasons other than employment. Professional sports, and events, boutique shops and unique restaurants provide these ingredients.

## Downtown Jacksonville Market Feasibility Study

The St. Johns River is the iconic downtown's feature, and continued activation of the river will attract the full spectrum of available market segments to the area. While downtown residents are typically professional singles, or empty nesters, the family unit is a sector of the market that needs strengthening. Getting people to experience the downtown through sports and entertainment, cultural and academic events, markets, and eateries all provide the opportunity for authentic experiences and a sense of place

As discussed in the Jacksonville DIA Peer Cities Comparison Study 2021 (provided in Appendix IV (Part II of II) of this report), Kansas City's Power and Light District is an example of a new entertainment destination that transformed the city's downtown. This conglomeration of restaurants, taverns, and nightspots is co-located with a multi-purpose sports and event arena anchor.

The Emerald Trail Master Plan illustrates a 30-mile network of trails, both pedestrian and bicycle that connect Downtown to historic neighborhoods, schools, colleges, and parks. This project will have considerable impact on Downtown and provide connectivity and access throughout the area.

### Multi-Family Development

Jacksonville has secured the distinction of being in the Top 5 nationwide of inbound residential move-ins during the Covid-19 pandemic.

The selection of apartments, townhomes and condominiums is wide, and the recently renovated residences are unique, and market appropriate. From Home Street Lofts on Southbank, the converted Seminary, which is now 12 luxury loft style units, to the Broadstone River House, there is urban living for

## Key Retail Recommendations

- **Targeted incentives by District and direct incentives to locate retail in proximity to hotels and residential areas**
- **Support for walkable urban format "necessity retail" (specialty grocery/pharmacy)**
- **Strategic retail/dining/entertainment with outdoor seating in major projects**
- **Made in Jax/Shop Local Apparel**

all tastes. On the Northbank, the 18 story Barnett Building has been fully restored providing 107 loft-style apartments overlooking Downtown and in close proximity to the River. Shipping containers have been used in a new project in the Cathedral District that provides affordable housing for residents, in a configuration that provides significant upside for the developer, while serving the needs of future residents.

With 3,600 units in 23 multifamily properties currently, there is capacity for the development of additional units. Average rents are close to achieving the \$2 per square foot number, while new properties are exceeding that number significantly, which is key for developers. At the time this research was conducted, there were 978 units under construction, and more than 3,000

## Downtown Jacksonville Market Feasibility Study

proposed. The daytime population of 67,000 employees overall demand for multifamily housing across Jacksonville is indicative of the market for new residential development.

As developers continue to develop the prime available sites Downtown, interest should shift towards the Sports and Entertainment District, Southbank, LaVilla, Cathedral and Church if traditional trends of development occur. These districts have larger vacant land areas at lower cost. Importantly, the sizes of these parcels are better suited for mixed-use concepts that can be more immediately impactful. Recognition of these opportunities is an important element of any broader strategy to energize specific areas or districts and presents strategic direction to focus incentives in areas where market forces have yet to reach sustainable levels for development activity.

### Retail Activation

Land development policies, including zoning and development standards to allow for more creative and mixed uses of properties are beneficial for retailers. Placemaking is the buzz word in retail today, as more consumers look for the experience that occurs when shopping. Downtown's vision through public improvements, integrated open space and multimodal transportation infrastructure are all positive for retailers.

Opportunity Zones provide an entirely new source of capital which may help drive redevelopment, especially in the older, higher-risk areas.

Sophisticated technologies available today, a more personalized approach for engaging customers and adapting to the rapid changes in the market are all opportunities for retail in Downtown Jacksonville.

The targeted food and beverage retail enhancement program (FAB-REP) seeks to bring a cluster of restaurants and bars within two distinct walkable corridors. This program provides an excellent vehicle for focusing local restaurant attraction. However, this strategy must include development of daytime population that are critical market segments for retail establishments and restaurants. Activities that activate the street, especially the targeted corridors during off-peak times, will develop foot traffic and interest that drive additional demand to nearby businesses.

The pandemic has accelerated new industry trends such as outdoor dining, virtual clothing selections, and click-and-collect shopping, that were already underway before the crisis. Now, there's even greater integration between digital and physical channels and more investment in infrastructure and operations, enabling retailers to provide greater flexibility and convenience to the consumer. Smaller prototypes and off-site distribution will provide downtown with opportunity for shops and eateries to locate in smaller spaces, with off premise parking.

The Florida climate affords retailers the opportunity to provide outside service to patrons, using environmentally adaptive systems. These heating and cooling systems are expensive, but necessary for restaurants today. Consideration may need to be given to these improvements as opportunities for financial assistance. Land use regulations that encourage sidewalk cafes are useful as well.

## Downtown Jacksonville Market Feasibility Study

The following is a list of desired retail and other businesses identified by the 2014 Business Investment and Development Strategy. The retail market supply analysis indicates that while Downtown Jacksonville’s retail inventory has improved, the retail subsectors of apparel, restaurants with outdoor dining, grocery and pharmacy are still in high demand Downtown as both convenience factors and as ancillary use-mix support for major projects and they should be strategically prioritized to further progress toward established goals.

**Table 35: 2014 DIA BID Plan: Desired Retail Businesses**

2014 DIA BID Plan: Desired Retail Businesses	
Business incubators	Education/academia
Information technology offices	Apparel stores including accessories (purses, scarves, hats)
Shoe stores	Toy stores
Hobby stores, craft store and supplies	Art supplies, framing stores
Pet stores and supplies	Specialty food stores/delicatessens
Restaurants	Coffee/Tea shops
Gift Stores	Book stores
Stationery stores	Kitchen/home accessories
Small appliances	Electronics
Sporting goods	Entertainment venues
Jewelry stores	Florists
Specialty retail apparel such as bridal/formal wear, costume.	Art Galleries
Office supply stores	Pharmacies

Source: DIA CRA Business Investment and Development Plan (2014)

## Office Attraction

Jacksonville is well positioned to capture talent migrating to markets with lower costs, better weather climates and more favorable policy environments. The strong work culture and highly skilled employee base are positive assets. Three Fortune 500 Corporate Headquarters, and more than 462,000 sq. ft. of planned office space are currently in work. Parking solutions that benefit corporations and the public benefit recruitment efforts and provide assurance to corporations that Jacksonville is positioned to offer the corporate world an environment that is productive and welcoming, as well as a lifestyle that appeals to the workforce of today.

Office development continues to be anchor driven, and continued efforts to attract corporate headquarters, medical and educational institutions are hitting the mark for Downtown Jacksonville. Key tenants must be committed before financing is in place for major new office developments. Efforts to create a city center, that is active and walkable will benefit the downtown landscape and provide another plus for companies seeking a new location.

However, we cannot overlook the change in corporate headquarters as the workplace evolves post pandemic. Companies will use less office space, while at the same time the investment in the physical space will be significant to create flexible working arrangements, and amenities such as an active downtown that affords a wide range of food, entertainment and services will be more important than ever when choosing a corporate location.

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Modern air filtration systems, smart elevators, keyless entry and other advanced tech solutions, in addition to providing constant sanitation will be the hallmarks of a successful office building.

Strategies to attract new businesses include subsidized parking, job training, backfilling vacant office, increased safety, and target incentives to Downtown. Transportation improvements that include streetlights to encourage pedestrians and cyclists, as well as improved mass transit are ongoing programs that will need to continue to be prioritized if Downtown wants to continue to attract new office buildings.

### Hotel Development

Research and data collection interviews with hotel industry professionals indicate a balance of Downtown room supply and typical demand levels (i.e., non-Covid) that maintain market average daily rates (ADRs).

There is clear consensus within the local market that long-term opportunity exists to generate more visitation/demand for room nights from catalytic projects and advance the convention center concept.

Marriott International has entered the market with its new Residence Inn location in the Brooklyn District and with plans for an Autograph brand hotel in the Central Core District. While the company states that the market is oversupplied in the larger full-service segment (e.g., Omni and Hyatt), they have confidence that the diversity of their brands and customer's loyalty program are sufficient to enter the market successfully. Typically, Marriott's interest is an indicator of market strength, as the company does not typically develop hotels speculatively.

Yet it is important to note that Marriott's (or any company's) interest as a corporate owner is different than as the franchisor, their degree of confidence can be measured, at least somewhat, by their level of capital commitment. For that reason, it is advised that feasibility be independently assessed with the idea of creating a diversity of hospitality options and funded by the investors should there be a request for public financial support, subsidies, or abatements. Absent any request, the City may consider options to share in that cost of market studies. In either case, the City should control the selection of the feasibility consultant when possible.

Long-term opportunity to generate hotel demand include catalytic projects that rely on visitor events, such as those planned for the Sports and Entertainment District and nearer the convention center. The location of the Prime F. Osbourne Convention Center provides a challenge for stimulating hotel development, especially when there are sites available for hotels that provide river views, and downtown amenities. Previous studies regarding a new convention center have not resulted in recommendations for the construction of a new center in closer proximity to the central core. Connectivity to the convention center will be an important consideration and challenge for Downtown.

### Targeted District Market Opportunities

#### Brooklyn

Brooklyn benefits from its neighboring proximity to the Central Core with mixed use projects that provide housing and services for residents. This rich historic area is a popular location for those seeking an urban lifestyle. Road improvements including Park Street Road Diet have helped influence new development including major financial tech leader FIS building a new 12-story, 300,000 square foot headquarters to support its growth. FIS will support its growth by consolidating its current headquarters and local offices with plans to hire an additional 500 employees by 2029, bringing its workforce to approximately 1,800 employees. There is also a new Marriott Residence Inn underway. The hotel plans include 136 rooms and seven stories.

Unity Plaza serves as a centerpiece and community gathering place, offering entertainment and activities to attract both residents and visitors. The creation of this Plaza using innovative stormwater management techniques is an example of smart urban design.

The new Fidelity National Information Services 12-story headquarters is under construction at 347 Riverside Avenue. And with other headquarters including Black Knight Financial, Florida Blue, Haskell and TIAA Brooklyn remains poised for continued growth and success.

Brooklyn Station is anchored by The Fresh Market and the center currently has only one vacancy. This property was developed by Regency Centers, a pioneer in unique placemaking designs with smart merchandising. Marketing the area as high income, well-educated and with a strong daytime population, this center offers dining and specialty services for the community.

Brooklyn has an historic base and continues to grow with mixed use developments bringing residential living back to this district. The new Fidelity National Information

Services 12-story headquarters is under construction at 347 Riverside Avenue. And with other headquarters including Black Knight Financial, Florida Blue, and Haskell, Brooklyn remains poised for continued growth and success. Brooklyn continues to grow with mixed use developments, office retail, and residential development and is continued to be fueled by upper income residents. The continued efforts to develop the riverfront property are most advantageous to the Brooklyn District.

Because of the success of development in this district, and CIP funding to improve public infrastructure, incentives to stimulate future development activity are expected to diminish in this district.

#### Cathedral

Cathedral District connects the Central Core to the Sports and Entertainment District and is anchored by five historic churches and encompasses 36 blocks. Portions of this area are designated an Opportunity Zone. In 2016, The Cathedral District Jax-Inc. (CD-J) was organized to foster growth and revitalization.

The creation of a nonprofit, Cathedral District Jax-Inc. led to a Master Plan for the area to designed to provide affordable housing and services. This is a unique, walkable neighborhood with a mixture of residences, churches and neighborhood services.

Ashley Street Shipping Container Apartments has opened and includes 18 multifamily units on a 0.13 acre. This unique product type promises to provide affordable housing and unique style in this district. Lofts at Cathedral is also planned in the Cathedral District by Vestcor, a multifamily, affordable housing developer responsible for several “Lofts” branded projects in the Downtown Jacksonville area.

With a portion of the district designated an Opportunity Zone, this area presents unique opportunities for development, and the Emerald Trail following Hogan’s Creek through the district will be very attractive for residential developers.

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A new senior living project known as Ashley Square, a six-story building including two parking decks is moving forward. With 120 units the project is aimed at seniors with limited incomes.

However, the issue in Cathedral District continues to be the numerous surface parking lots covering approximately 50% of the land in the District. For neighborhood redevelopment and revitalization to occur, parking solutions must be a high priority. A lack of retail in this District is by far the most heard complaint from residents. As developers look at this area for mixed-use projects, commercial development to support these new residents will soon be forthcoming if the parking lots are developed into uses that support the District.

### Central Core

Market research did not identify major opportunity sites or market structures that suggest near term opportunities other than Ford on Bay and infill strategies. It is recommended that the Central Core should continue to tailor incentives to policy objectives to realize the major projects already identified as key opportunities and to provide a variety of retail and services to meet the needs of the local workforce and growth realized in residential occupancy.

The Central Core appears poised to benefit from the active development in surrounding areas, notably Southbank and Brooklyn, but has struggled to leverage their success. Stakeholder interviews suggest several key challenges, including perceived parking availability and cost, a significant inventory of historic/obsolescent buildings, and a lack of a key tenant or use that have a catalytic effect. The most obvious candidate for this would be Ford on Bay, but it will be important to structure and design development there in a way that strengthens the overall market (through amenities, design examples, positive

“buzz”, etc.) rather than just focusing on highest and best use and/or market feasibility for the site in isolation.

As VyStar continues to expand and recently became the 13<sup>th</sup> largest credit union in the country, the impact of this headquarters on downtown continues to be felt. VyStar campus will have two-thirds of workforce back downtown by August. They sponsored Jax Fiver Jams Concert Series in April, outside at Riverfront Plaza. These are the kinds of developments and events that will create interest and momentum in the Central Core for employees, residents, and visitors.

The planned transit improvements, especially the urban circulator, will increase connectivity to the surrounding districts and increase potential viability of office uses for potential commuters. This would require a shift in commuting patterns for Jacksonville but is possible in the medium to long term. The DIA can support this through structuring of incentives toward retail development, residential opportunities, job creation, and transit use along these corridors.

Key to opportunities in the Central Core will be finding a way to ease the perceived parking issues and find a way to leverage the existing urban fabric. Existing buildings are typically both a challenge and an opportunity, as they can be more difficult to adapt to modern uses than building new but at the same time have facades and features that are not financially feasible (and in some cases) cannot be constructed under current building codes and other constraints. There appears to be a significant inventory of buildings in the central core that have been purchased on a speculative basis but are currently uneconomic to redevelop.

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In medium term the key in the Central Core will be to enhance incentives for redevelopment of existing buildings to make their use competitive with new construction in the Central Core and in other areas. The economic recovery from Covid, along with the return of key users such as Vystar, Wells Fargo, Bank of America, TIAA Bank, Citizen's Insurance, and others represents an opportunity to leverage the success of recent additions to the Food and beverage sector.

In market terms, average rents have been weak in the Central Core while land prices are among the highest. Recent additions to the market are seeing significant improvements in rents. Building vacancy waiting for investment is a significant obstacle to revitalization of the area. Stakeholder interviews indicate that a number of property owners have purchased buildings on a speculative basis and in many cases may be leaving them vacant in anticipation of redevelopment opportunities. The DPRP created by the DIA in 2020 will likely prove successful in helping bring many of these properties back to productive use.

Finally, Berkman Plaza II is an important feature of the Central Core, because although it is not within the district it is right on the border and in some ways serves as a gateway to the area entering from the east along the river. The site is a significant constraint as its abandoned and dilapidated appearance creates a negative impression of the potential of downtown. Elimination of the property in conjunction with proposed redevelopment of the Shipyard's site will bridge activity between the Central Core and the Sports and Entertainment District.

## Church

Core development is stated as the key to a thriving downtown, and developers are busy putting this premise to work in the Church District, along the border with the Central Core. This area has several adaptive reuse projects underway, with historic preservation, food and beverage operations, and urban walkability at the forefront of the development direction.

Church contains several historic buildings and one of the largest infill sites available in the Southeast. A local development team has purchased a large block of the property, with plans for multiple new residences. With the high-profile riverfront projects that are garnering national attention, the Baptist Church property stands to benefit from the interest in Downtown Jacksonville as a whole.

With nine contiguous blocks available, (the multi-block First Baptist Church), the Church District provides Downtown Jacksonville with an exciting opportunity for revitalization. A portion of the property including two buildings was sold with plans for mixed use development to occur on the site. The buyers have indicated they plan to take advantage of the existing infrastructure in the area and build 200 market-rate apartments, providing urban-core living. To balance the development activity occurring along the riverfront on both the north and south banks, the Church District provide opportunities for incentives to generate other residential opportunities in close proximity to the Central Core.

## Downtown Jacksonville Market Feasibility Study

### LaVilla

The historic 224-acre neighborhood of LaVilla was the center of African American life and culture in Jacksonville, with historic venues including the Ritz Theatre and many clubs that showcased black entertainers. It has been described as the Harlem of the South. The Heritage Trail and improvements to Water Street have been designed to connect LaVilla to the riverfront and provide improved transportation options for the residents.

LaVilla was the railroad hub of the city, with several rail lines meeting at Union Station, now the Prime F. Osborn III Convention Center. The properties surrounding the Jacksonville Regional Transit Center (JRTC) have great access and visibility and are catalytic for this area. This is a major transit hub connecting LaVilla with the Skyway, the First Coast Flyer BRT Purple Line, the intercity bus hub facility, and a major Greyhound bus station. This activity provides opportunities for Transit Oriented Development (TOD) beyond any other location in Downtown Jacksonville.

LaVilla has seen the completion of four residential projects which provide options for citizens to live in the downtown area, in affordable residences. These are the Houston Street manor, Lofts at LaVilla, Lofts at Monroe, and Lofts at Jefferson Station. Another new project that bodes well for employment and growth within LaVilla is the proposed Jacksonville Energy Authority (JEA) secondary headquarters. This proposed 40,000 square foot building will house the authority's emergency operations center and will create additional job opportunities furthering demand for residential options and supportive retail and services within LaVilla.

In accord with the LaVilla Neighborhood Development Strategy, completed in 2019, continued investment into infrastructure and green space, such as Lift Ev'ry Voice and Sing Park and the 91-unit LaVilla Townhomes, will provide LaVilla with more placemaking opportunities. LaVilla's proximity to the Central Core, the FSCJ campus, and UF Health campus also provide high quality opportunities for living and working in this district. The neighboring district of Brooklyn has high occupancies, offering potential for LaVilla to expand some office as well, particularly in the JRTC area.

### Southbank

Southbank has seen significant mid-rise and high-rise residential development, leveraging the waterfront and views of downtown. It is expected that residential opportunities will continue, as land prices away from the river remain low and rents and demand remain high relative to the rest of the City. These residential opportunities should not require significant public investment where rents remain high and land prices remain low.

The River's Edge development has a vision of sustainable design to encourage a healthy lifestyle and diversity. This development on the 30-acre former JEA site is proposed to include 950 residential units, 147 hotel rooms, 200,000 sq. ft. of office space, 134,000 sq. ft. of retail space and a marina and public park.

The former River City Brewing site project is moving forward with plans for a 327-unit multifamily project with a restaurant and bar. Completion of the project is expected in 2025.

A feasible development opportunity that appears predominately from the market data is for retail, with relatively low vacancies in existing retail stock,

## Downtown Jacksonville Market Feasibility Study

and high rents suggesting at least a short-term shortage. This is consistent with the recent influx of residents in the district and should be further strengthened by residential development in the pipeline.

### Sports and Entertainment

The Sports and Entertainment District has the potential to change the landscape in Jacksonville. By developing a downtown destination park which includes eating establishments, entertainment, trails, kayak rentals, marine tours, plazas, fountains, events, and a marina, the City can continue to leverage its most precious resource, the St. Johns River.

Several of the peer cities studied reported great success by development of a large park area open to the public as demonstrated by the development attributed to these improvements and the resulting tax revenue generated.

The fact that this area is home to a major league football team with significant expansion plans is an important part of the fabric of this district.

Consumers' identities and social capital are now focused on what they do, what they experience and what they share on social media, rather than what they own. These findings are relative especially to the Sports and Entertainment District. Every interaction creates a personal reaction.

The Sports and Entertainment District is approximately 80 acres of riverfront property, primarily surrounding TIAA Bank Field, an NFL Football Stadium, Jacksonville's Baseball Grounds, a Triple-A minor league baseball stadium, and two concert venues including the 15,000 seat Veteran's Memorial Arena and the 5,500 seat Daily's Place. This area holds the greatest opportunity for large-scale redevelopment in the Downtown.

The DIA and the City of Jacksonville are actively engaged in public-private investment and planning for the Shipyards and Kids Kampus parcel. As of September 2021, this major \$300 million development project is proposed to include an international brand luxury hotel and residences along the riverfront adjacent to TIAA Bank Field and Daily's Place. Subsequent development phases are proposed to create an adjacent office building and world class medical tourism facility.

This development activity will also include the restoration of Metropolitan ("Met") Park, a marina and multifunctional building housing a ship store, dockmaster's office and facilities.

Details regarding incentives include the City providing \$114 million in the form of donated land, spending on reconstructing the city-owned public marina, relocation of city-owned buildings, and providing cash incentives for the developer. The incentives are designed to be a mixture of completion grants and property tax rebates paid out over a period of time.

The Riverwalk extension will benefit the Sports and Entertainment District, providing connectivity to the downtown central core. Relocation of the Museum of Science and History (MOSH) to the Northbank, immediately east of the Hogans Creek basin is under consideration.

At this time there are no multifamily properties in the Sports and Entertainment District, however there are a significant number of units in various stages of development planning.

## Downtown Jacksonville Market Feasibility Study

**Figure 56: Shipyards and Kids Kampus Redevelopment Concept**



Source: DIA, 2021

Changing values that point to experiences as paramount are reflected in the leisure sector attracting one and a half times more discretionary spend than retail and growing twice as fast. As discussed previously in the retail findings of this study, location-based entertainment is a diverse and dynamic sector that can be categorized into five key subsectors—arts and entertainment, play and activity-based leisure, health and fitness, food and beverage, and heritage/visitor attractions.

A fully immersive sensory-led experience will emerge from placemaking efforts that encourage community participation and interaction. According to Euromonitor International Lifestyles Survey 2017, 46% of Americans prefer to spend money on experiences over 15% who prefer to spend on things. Thus, the effect on retail within the Sports and Entertainment district is significant.

For instance, the Veterans Memorial Wall and 121 Financial Park draw visitors to the area who may not otherwise have ventured into this part of downtown.

With the Baseball Grounds continuing to draw people with its 11,000-seat ballpark and art in public places sculpture and TIAA Bank Field, Metro Park, Veteran’s Memorial Arena, Daily’s Place, and the Amphitheater all providing venues for professional sports and concerts, specialty retail and eating establishments will continue to grow and prosper. Most recently the Miami Marlins have selected Jacksonville for the team’s alternate training site.

The Sports and Entertainment District offers the least amount of office space in downtown Jacksonville according to CoStar reports, demonstrating further the need for new development to fill the requirements of service and professional businesses that operate within the Sports and Entertainment District.

The approval of Shipyards and Kids Kampus projects will spark activation of this priority redevelopment area, serving as a catalyst for future development of surrounding parcels. Opportunities for development of residential, office, and retail exist on the east side of TIAA Bank filed and represent the opportunity for future mixed-use development adjacent to the Working Waterfront District.

### **Working Waterfront**

On the eastern edge of Downtown sits the Working Waterfront. Home to the North Florida Shipyards, a ship repair and conversion business in operation since 1977. Currently no retail uses exist in the Working Waterfront. Skilled craftsmen are employed at North Florida Shipyards, craftsmen who are specialized in their field of maritime fabrication, repair, and conversion.

## Downtown Jacksonville Market Feasibility Study

Working waterfronts are lands, infrastructure and waterways used for water-dependent activities. The protection of these waterfronts is a major policy initiative in the state of Florida due to the physical importance historical character, and maritime commerce of these waterfronts.

JAXPORT recorded 1.28 million 20-foot equivalent units (TEU) passing through the port in 2020. Jacksonville is still Florida's largest container port. Already the nation's second largest vehicle port, Jacksonville will add over 100 acres of process space to increase vehicle capacity by 25%. JAXPORT has fully funded a three-mile channel deepening and widening effort, out of a total 11-mile project, to bring more traffic to the Blount Island Terminal. According to the Port's annual fiscal report, it provides an annual economic impact of over \$31 billion to the state of Florida.

Although the Port is several miles east of the Working Waterfront, the continued expanding trade experienced by the Port should continue to benefit the Working Waterfront with ancillary support services.

Additional development in this district is determined to focus on commercial activities that may generate jobs, while any redevelopment efforts for residential, office, or entertainment would require significant capital probable environmental remediation which makes feasibility of such activity low in the near future.

## Conclusions

This market and feasibility study provides detailed data, research and analysis of current trends and projections to inform the DIA's deliberations on the policies and programs that will direct development and investment activity for the next five years.

As part of this exploration, the analysis formulated an objective snapshot of the DIA's performance against goals and objectives over the last five years. Thoughtful review of these trendlines in the context of Covid-19 also allowed for identification of factors that were not as impacted as others by the mandated quarantine and stay-at-home orders.

Taken together, the DIA is making positive progress toward goals, particularly in the area of residential development. This new baseline for incentive programs will inform DIA's evaluation of more targeted offerings by product type and geography going forward to achieve the Downtown Jacksonville's goals and objectives.

Clearly, it is too early to comment on the performance of new programs adopted in July and October 2020. However, lessons learned from the peer cities comparison analysis indicate that enhanced monitoring and reporting on incentive performance measures will enable the DIA to use the data to link incentives to not just citywide goals and objectives but to community and economic development targets at the local neighborhood (District) level.

The peer cities comparison research also suggests that incentives performance measures are evolving from traditional metrics that focus on total project investment and job creation targets alone. Successful and sophisticated

## Downtown Jacksonville Market Feasibility Study

Downtown authorities are leveraging public investment in incentives to achieve multilayered social, environmental and public realm objectives by linking public dollars to neighborhood-level amenity targets such as affordable/workforce housing, walkability, wellness and maximizing the clustering of restaurants in proximity to unique redevelopment projects like boutique hotels.

It is recommended that DIA continue to focus on tracking outcomes, benefits, and changes in Downtown in relation to the BID Strategy. Continuing to track such indicators will achieve a sustained source of consistent data to allow for a deeper understanding of the relationship between incentives policies and development and investment activity in Downtown Jacksonville.

The DIA should continue to make incentives flexible and nimble to meet the needs of catalytic projects with complex deal structuring. The DIA should also explore the opportunity to use targeted developer incentives to cross-subsidize mixed-use projects to achieve the optimal mix of uses with the Downtown’s remaining available land – increasingly scarce and valuable.

However, an evolving set of incentives guidelines will come into play as the market matures, new concepts emerge, projects materialize, and land values rise. The DIA’s role as Downtown development facilitator will likewise evolve, requiring greater emphasis on curation of specific target uses at the neighborhood level on a project-by-project basis. Over time, the DIA will foster the creation of more Downtown destinations, experiential retail, and specialty/neighborhood-serving “gems” by continuing exceptional administration of start-up subsidies and tax incentives needed to fund investment gaps.



# APPENDIX I: REAL ESTATE & ECONOMIC DEVELOPMENT CONSULTING SUPPORT CONTACT INFORMATION

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REINVENTING YOUR CITY

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## APPENDIX II: AMERICAN COMMUNITY SURVEY DATA, BY CENSUS BLOCK GROUP OR CENSUS TRACT

### Population -2014

Census Tract / Block Group	Total Population	Male	Female	Median Age	Under Age 18	Age 18 to 64	Age 65 & Older
Tract 8, Block Group 1	1,509	810	699	37.2	266	1,110	133
Tract 8, Block Group 2	683	340	343	54.2	8	385	290
Tract 10, Block Group 1	649	303	346	45.1	91	459	99
Tract 10, Block Group 2 <sup>1</sup>	3,133	2,619	514	33.0	108	2,990	35
Tract 10, Block Group 3	694	276	418	69.1	7	249	438
Tract 171, Block Group 1	1,867	712	1,155	55.1	150	935	782
Tract 172, Block Group 1	1,896	1,005	891	41.6	257	1,404	235
Tract 174, Block Group 2	159	111	48	25.0	26	133	-

<sup>1</sup> This block group includes the Duval County Jail.

Sources: 2014 ACS 5-Year Estimates Detailed Tables, B01001 and B01002.

Downtown Jacksonville Market Feasibility Study

**Population - 2019**

Census Tract / Block Group	Total Population	Male	Female	Median Age	Under Age 18	Age 18 to 64	Age 65 & Older
Tract 8, Block Group 1	2,027	916	1,111	36.0	315	1,419	293
Tract 8, Block Group 2	759	335	424	43.2	21	541	197
Tract 10, Block Group 1	487	282	205	50.7	22	359	106
Tract 10, Block Group 2 <sup>1</sup>	2,934	2,203	731	34.6	44	2,799	91
Tract 10, Block Group 3	786	419	367	71.1	-	245	541
Tract 171, Block Group 1	2,295	741	1,554	39.5	175	1,390	730
Tract 172, Block Group 1	2,165	1,100	1,065	37.8	330	1,407	428
Tract 174, Block Group 2	204	68	136	16.9	103	101	-

<sup>1</sup> This block group includes the Duval County Jail.

Sources: 2019 ACS 5-Year Estimates Detailed Tables, B01001 and B01002.

**Population by Race & Ethnicity - 2014**

Census Tract / Block Group	Total Population	White	Black	American Indian	Asian	Pacific Islander	Other Race	Two or More Races	Hispanic or Latino Origin <sup>1</sup>
Tract 8, Block Group 1	1,509	1,264	161	-	6	-	50	28	71
Tract 8, Block Group 2	683	641	27	-	-	-	-	15	57
Tract 10, Block Group 1	649	15	621	-	-	-	-	13	-
Tract 10, Block Group 2 <sup>2</sup>	3,133	1,055	1,978	-	8	-	64	28	147
Tract 10, Block Group 3	694	250	342	-	73	-	16	13	45
Tract 171, Block Group 1	1,867	1,561	284	-	-	-	22	-	112
Tract 172, Block Group 1	1,896	768	949	-	65	-	99	15	282
Tract 174, Block Group 2	159	41	95	-	-	-	-	23	10

<sup>1</sup> Hispanic or Latino origin population is a subset of all other categories in this table.

<sup>2</sup> This block group includes the Duval County Jail.

Sources: 2014 ACS 5-Year Estimates Detailed Tables, B02001 and B03003.

**Population by Race & Ethnicity - 2019**

Census Tract / Block Group	Total Population	White	Black	American Indian	Asian	Pacific Islander	Other Race	Two or More Races	Hispanic or Latino Origin <sup>1</sup>
Tract 8, Block Group 1	2,027	1,697	169	-	78	-	83	-	136
Tract 8, Block Group 2	759	715	18	-	-	-	26	-	102
Tract 10, Block Group 1	487	61	426	-	-	-	-	-	20
Tract 10, Block Group 2 <sup>2</sup>	2,934	948	1,841	18	23	-	63	41	163
Tract 10, Block Group 3	786	350	375	-	36	-	8	17	21
Tract 171, Block Group 1	2,295	1,942	306	-	38	-	9	-	160
Tract 172, Block Group 1	2,165	849	1,063	-	148	-	-	105	55
Tract 174, Block Group 2	204	5	183	-	-	-	16	-	16

<sup>1</sup> Hispanic or Latino origin population is a subset of all other categories in this table.

<sup>2</sup> This block group includes the Duval County Jail.

Sources: 2019 ACS 5-Year Estimates Detailed Tables, B02001 and B03003.

**Household Composition - 2014**

Census Tract / Block Group	Total Households	Family Households	Percentage of Total Households	Average Household Size	Average Family Size <sup>1</sup>
Tract 8, Block Group 1	963	247	25.6%	1.57	2.73
Tract 8, Block Group 2	554	75	13.5%	1.23	2.73
Tract 10, Block Group 1	343	95	27.7%	1.71	2.86
Tract 10, Block Group 2 <sup>2</sup>	42	-	0.0%	-	2.86
Tract 10, Block Group 3	548	44	8.0%	1.09	2.86
Tract 171, Block Group 1	1,381	241	17.5%	1.29	2.49
Tract 172, Block Group 1	999	179	17.9%	1.48	3.06
Tract 174, Block Group 2	64	43	67.2%	2.48	3.61

<sup>1</sup> Average family size data only available at the Census Tract level.

<sup>2</sup> This block group includes the Duval County Jail.

Sources: 2014 ACS 5-Year Estimates Detailed Tables, B11016, B25010 and S1101.

**Household Composition - 2019**

Census Tract / Block Group	Total Households	Family Households	Percentage of Total Households	Average Household Size	Average Family Size <sup>1</sup>
Tract 8, Block Group 1	1,115	510	45.7%	1.82	2.39
Tract 8, Block Group 2	584	93	15.9%	1.30	2.39
Tract 10, Block Group 1	216	69	31.9%	2.05	3.00
Tract 10, Block Group 2 <sup>2</sup>	22	11	50.0%	2.18	3.00
Tract 10, Block Group 3	515	111	21.6%	1.29	3.00
Tract 171, Block Group 1	1,554	283	18.2%	1.42	2.55
Tract 172, Block Group 1	1,190	287	24.1%	1.51	2.67
Tract 174, Block Group 2	1,115	510	45.7%	1.82	3.65

<sup>1</sup> Average family size data only available at the Census Tract level.

<sup>2</sup> This block group includes the Duval County Jail.

Sources: 2019 ACS 5-Year Estimates Detailed Tables, B11016, B25010 and S1101.

**Income - 2014**

Census Tract	Median HH Income	Median HH Income White	Median HH Income Black	Median HH Income Senior	Married Couples Families
Tract 8	41,838	47,434	21,449	27,989	81,968
Tract 10 <sup>1</sup>	10,789	14,500	9,975	13,006	21,797
Tract 171	36,932	38,681	18,949	19,365	60,855
Tract 172	28,125	43,281	13,448	14,706	46,635
Tract 174	17,014	13,875	21,518	15,882	26,578

Note: Income data by race and age only available at the Census Tract level. 2014 Inflation adjusted dollars.

<sup>1</sup> This tract includes the Duval County Jail.

Sources: 2014 ACS 5-Year Estimates Detailed Tables, B19001, B19001A, B19001B, B19049, B19113.

Downtown Jacksonville Market Feasibility Study

**Income - 2019**

Census Tract	Median HH Income	Median HH Income White	Median HH Income Black	Median HH Income Senior	Married Couples Families
Tract 8	62,298	63,504	44,353	39,130	79,071
Tract 10 <sup>1</sup>	13,739	11,543	15,345	13,818	40,547
Tract 171 <sup>2</sup>	54,340	54,671	-	26,111	89,980
Tract 172 <sup>2</sup>	42,702	53,897	23,182	-	46,406
Tract 174 <sup>2</sup>	27,521	-	28,284	22,917	28,036

Note: Income data by race and age only available at the Census Tract level. 2019 Inflation adjusted dollars.

<sup>1</sup> This tract includes the Duval County Jail.

<sup>2</sup> ACS did not provide estimates for median household income for white households in Tract 174, black households in Tract 171 and senior households in Tract 172.

Sources: 2019 ACS 5-Year Estimates Detailed Tables, B19001, B19001A, B19001B, B19049, B19113.

**Housing Tenure - 2014**

Census Tract / Block Group	Total Units	Total Occupied Units	Percentage of Total Units	Renter Occupied Units	Total Vacant Units	Percentage of Total Units
Tract 8, Block Group 1	1,491	963	64.6%	797	528	35.4%
Tract 8, Block Group 2	647	554	85.6%	471	93	14.4%
Tract 10, Block Group 1	362	343	94.8%	297	19	5.2%
Tract 10, Block Group 2 <sup>1</sup>	134	42	31.3%	36	92	68.7%
Tract 10, Block Group 3	562	548	97.5%	548	14	2.5%
Tract 171, Block Group 1	1,553	1,381	88.9%	1,245	172	11.1%
Tract 172, Block Group 1	1,335	999	74.8%	845	336	25.2%
Tract 174, Block Group 2	127	64	50.4%	46	63	49.6%

<sup>1</sup> This block group includes the Duval County Jail.

Sources: 2014 ACS 5-Year Estimates Detailed Tables, B25002 and B25003.

Downtown Jacksonville Market Feasibility Study

**Housing Tenure - 2019**

Census Tract / Block Group	Total Units	Total Occupied Units	Percentage of Total Units	Renter Occupied Units	Total Vacant Units	Percentage of Total Units
Tract 8, Block Group 1	1,397	1,115	79.8%	824	282	20.2%
Tract 8, Block Group 2	665	584	87.8%	493	81	12.2%
Tract 10, Block Group 1	231	216	93.5%	148	15	6.5%
Tract 10, Block Group 2 <sup>1</sup>	69	22	31.9%	11	47	68.1%
Tract 10, Block Group 3	575	515	89.6%	515	60	10.4%
Tract 171, Block Group 1	1,653	1,554	94.0%	1,388	99	6.0%
Tract 172, Block Group 1	1,427	1,190	83.4%	1,035	237	16.6%
Tract 174, Block Group 2	120	56	46.7%	56	64	53.3%

<sup>1</sup> This block group includes the Duval County Jail.

Sources: 2019 ACS 5-Year Estimates Detailed Tables, B25002 and B25003.

## APPENDIX III: JACKSONVILLE INCENTIVES ANALYSIS

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### Qualified Target Industries for Incentives

The following target industries are utilized for the COJ REV Grants, among other programs and incentives across the city.

#### Manufacturing, Corporate Headquarters, Research and Development

##### Cleantech

Biomass & Biofuels Processing  
Energy Equipment Manufacturing  
Energy Storage Technologies  
Photovoltaic  
Environmental Consulting  
Sustainable Building Products

##### Life Sciences

Biotechnology  
Pharmaceuticals  
Medical Devices (laboratory and surgical instruments, diagnostic testing)

##### Infotech

Modeling, Simulation and Training  
Optics and Photonics  
Digital Media  
Software  
Electronics  
Telecommunications

##### Aviation/Aerospace

Aircraft and Aircraft Parts Manufacturing  
Maintenance Repair and Overhaul of Aircrafts  
Navigation Instrument Manufacturing  
Flight Simulator Training  
Space Vehicles and Guided Missile Manufacturing  
Satellite Communications  
Space Technologies  
Launch Operations

##### Homeland Security/Defense

Optical Instrument Equipment  
Navigation Aids Equipment  
Ammunition Equipment  
Electronics Equipment  
Military Vehicles  
Shipbuilding and Repair  
Computer Systems Technology  
Simulation and Training Technology

##### Financial/Professional Services

Banking

Insurance  
Securities and Investments  
Corporate Headquarters  
Engineering  
Legal  
Accounting  
Consulting

##### Emerging Technologies

Cloud IT  
Marine Sciences  
Materials Science  
Nanotechnology

##### Other Manufacturing

Food and Beverage  
Automotive and Marine  
Plastics and Rubber  
Machine Tooling

## APPENDIX IV. JACKSONVILLE PEER CITIES COMPARISON ANALYSIS (DOWNTOWN JACKSONVILLE MARKET FEASIBILITY STUDY – PART 2 OF 2)

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The Jacksonville Peer Cities Comparison Analysis (Downtown Jacksonville Market Feasibility Study – PART 2 OF 2) is available under separate cover.

Please refer to the DIA website's Reports & Studies:

<https://investdtjax.com/tools-resources/reports-studies/>

**APPENDIX C:**

**Comparative Downtown Analysis**



Final Report  
September 15, 2021

# JACKSONVILLE DOWNTOWN MARKET FEASIBILITY STUDY

**PART II OF II:**  
PEER CITIES COMPARISON ANALYSIS  
BACKGROUND DATA



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# I. PEER CITY DOWNTOWN COMPARISONS

## Introduction and Peer City Overviews

A strong downtown is defined by economic strength, prosperity, serves as a center for culture, knowledge, innovation, and a place for the community to gather. Downtowns play a key role in ensuring stability, sustainability and growth and can serve as a catalyst for regional revivals following economic downturns, provide leadership to address social changes, and address the challenges related to environmental changes and natural disasters.

The cities profiled possess vibrant downtowns that have developed over time through a combination of effective policies, incentivization, and strong leadership. These cities have downtowns with a critical mass of residents, housing offered at a variety of price points, effective mixes of retail/dining/entertainment, a vibrant office markets, and, in some instances, pent up lodging demand.

Peer cities include:

- Cincinnati, OH
- Kansas City, MO
- Louisville, KY
- Tampa, FL
- West Palm Beach, FL

This comparison evaluation included the review of foundational demographic and economic variables, including:

- Population
- Employment and wages
- Housing characteristics
- Office market characteristics
- Retail and service business mix
- Traffic characteristics
- Tourism market performance

**What best practices have helped attract businesses and real estate development that can be effectively incorporated in Downtown Jacksonville?**

**What can Jacksonville learn from other cities about how to leverage incentives to catalyze real estate development?**

Additional research evaluated the context of each of these cities, including their respective mixes of key real estate uses, clustering, complimentary development, accessibility, and other insights that helped their downtowns evolve into energized and successful places to live, work, and play.

These evaluations were then augmented through interviews with leaders in each of the respective peer markets to evaluate the impacts or effectiveness of incentive programs and redevelopment efforts. These interviews, however, yielded limited detailed, quantitative evidence that would equate levels of public support to the economic outputs of specific projects. Nonetheless, these comparisons highlight the common efforts that fostered the success that is manifested by their respective market conditions and other broad measures, including real property valuations, visitation levels, and general development activity.

### Cincinnati, Ohio

Cincinnati is located at the northern side of the confluence of the Licking and Ohio rivers, the latter of which marks the state boundary with Kentucky. The city is the economic and cultural hub of the region and is noted as the fastest growing economic engine in the Midwestern United States, based on its total economic output.

Cincinnati's Metropolitan Statistical Area (MSA) population is 2,190,209 (2018 est.). Cincinnati is the third-largest city in Ohio (303,940 residents) and 64th largest in the United States.

Fountain Square is one of the main gathering center points in Cincinnati, a restaurant and entertainment hub that includes a historic square, shops, hotels, offices, as well as a variety of bars and restaurants. The city also features a thriving arts scene, three major league sports teams, a world-class zoo and aquarium and revitalized riverfront, all of which contribute to the vibrancy of downtown Cincinnati. Downtown Cincinnati's walk score is 87.

### Kansas City, Missouri

Kansas City is the largest city in Missouri by population and area. It is the most

#### Cincinnati Quick Facts:

- 303,940 residents in city, 3<sup>rd</sup> largest in Ohio
- Downtown population: 13,000 residents
- 2.19 million residents in MSA, 29<sup>th</sup> largest in U.S.
- Largest MSA in Ohio
- Median age 3.1 years younger Jacksonville
- Housing costs 20.0% below Jacksonville s
- Average commute 1.6 minutes shorter than Jacksonville

populated municipality and historic core city of the Kansas City metropolitan area, which straddles the Kansas–Missouri state line and has a combined statistical area population of 2,487,053.

Kansas City Power and Light District is the center of the downtown, and includes Kansas City Live, a full city block with two levels of restaurants, taverns, and night spots. It features a full concert stage and hosts marquee events. This project is directly across from the T-Mobile Center, a multi-purpose sports and event arena.

According to the U.S. Census Bureau, the city's estimated population totaled 495,327 in 2019, making it the 38<sup>th</sup> most-populous city in the United States.

Downtown is the prime driver of Kansas City's economy, where 34% of all the City's jobs are concentrated.

With more than 110,000 wage and salaried workers, 26.5 million square feet of commercial office space and 240,110 square feet of co-working space, Downtown is the largest business district in the region.

Downtown has access to the area's talent pool of diverse, dynamic, and highly skilled workers with 27 colleges and universities within an hour of Downtown.

### Kansas City Quick Facts:

- 495,327 residents, largest city in Missouri
- Downtown population: 9,062
- 2.16 million residents in MSA, 31<sup>st</sup> largest in U.S.
- 2<sup>nd</sup> largest MSA in Missouri
- Median age 0.6 years younger than Jacksonville
- Housing costs 18.9% below Jacksonville s
- Average commute 3.9 minutes shorter than Jacksonville

### Louisville, Kentucky

With nearly 638,000 residents, Louisville is the largest city in the Commonwealth of Kentucky. Located on the Indiana border, the city also served as the historical seat of Jefferson County until a consolidated government was formed with Jefferson County in 2003.

Downtown Louisville offers a wide array of attractions including performing arts venues, Victorian-era buildings, and museums. Art, science, boxing, and bourbon are all part of the cultural assets that Louisville highlight as part of its experience. These assets and attributes formulate the brand and identity of Louisville. The central business district has a walk score of 88, and a glassed-in skywalk stretches six city blocks. An estimated 31,000 residents live downtown, equating to 6.3 percent of the city population.

### Louisville Quick Facts:

- Consolidated government with Jefferson County
- 617,638 residents, largest city in Kentucky
- Downtown population: 45,293
- 1.27 million residents in MSA, 46<sup>th</sup> largest in U.S.
- Largest MSA in Kentucky
- Median age is 1.6 years older than Jacksonville
- Housing costs 10.8% below Jacksonville s
- Average commute 3.8 minutes shorter than Jacksonville

## Tampa, Florida

Tampa is a major city in, and the county seat of, Hillsborough County, Florida. Located on the west coast of Florida on Tampa Bay, near the Gulf of Mexico, Tampa is the largest city in the region. The Port Tampa Bay, near downtown's Channel District, is the largest in the state.

With an estimated population of 399,700, Tampa is the 48th most-populous city in the U.S. and the third-largest city in Florida, following Miami and Jacksonville.

Downtown Tampa generates 28% of the city's property tax revenues. Tampa's downtown population total approximately 5,600, equating to just under one percent of the city's total. According to the *International Downtown Association* report in August 2020, the number of downtown residents increased by 36 percent between 2017 and 2000, more than doubling the 17 percent average among emerging downtowns across the country.

### Tampa Quick Facts

- 399,700 residents, 3<sup>rd</sup> largest city in Florida
- Downtown population 7,246
- 3.2 million residents in MSA, 18<sup>th</sup> largest in U.S.
- 2<sup>nd</sup> largest MSA in Florida
- Median age in is 0.8 years older than Jacksonville s
- Housing costs are 21.7% above Jacksonville s
- Average commute is 1.7 minutes longer than Jacksonville

## West Palm Beach, FL

West Palm Beach is the county seat of Palm Beach County, Florida, a regional center of commerce. The waterfront city is known for world class shopping and entertainment districts including Rosemary Square (formerly CityPlace Live Entertainment), Clematis Street, Antique Row and Northwood Village.

West Palm Beach is a part of the Miami-Fort Lauderdale-West Palm Beach, FL MSA. With a population of 6.2 million residents, it is the 7<sup>th</sup> largest MSA in the U.S.

West Palm Beach is home to several acclaimed medical centers including Cleveland Clinic, NY Langone, JFK North, Good Samaritan, and St. Mary's. The Hospital for Special Surgery (HSS), a leading Orthopedic hospital within the U.S., opened in early 2020 adjacent to Good Samaritan.

With an estimated total population of 111,398, West Palm Beach is the 18th largest city in Florida and the 265th largest in the US. Housing costs in West Palm Beach are 33.9% more expensive than in Jacksonville. The average commute for residents of West Palm Beach is comparable to residents of Jacksonville.

The following Table 1 and Table 2 provides a comparison of the peer cities downtown market contexts. Distinguishing or unique features include anchor tenants or developments, urban parks, public art, transportation infrastructure, natural assets, and other factors. The relationship between the city and county populations are provided as context to the City of Jacksonville’s population size. Household income data indicate that City of Jacksonville’s median income is the highest among the six cities profiled (\$55,499 in 2019).

Please note that geographic definitions for “downtowns” vary considerably, as does the availability of data that is specific to them. For the purposes of this review, “Downtown Jacksonville” is defined to include the core CBD and adjacent districts (e.g., Brooklyn and LaVilla) that comprise the CRAs. Similarly, Louisville includes several surrounding areas including Old Louisville, Butchertown, NuLu and Phoenix Hill within the definition of Downtown. Others may have a more constrained geographic definition.

## West Palm Beach Quick Facts

- **111,398 residents, 18th largest city in Florida**
- **Downtown population: 29,946**
- **6.2 million residents in Miami Fort Lauderdale West Palm Beach MSA, 7<sup>th</sup> largest in U.S.**
- **Largest MSA in Florida**
- **Median age is 0.8 years older than Jacksonville**
- **Housing cost is 33.9% above Jacksonville**
- **Average commutes are comparable to Jacksonville**

**Table 1: Downtown Market Context**

City	Notable Characteristics and Features		City Population, 2019	County Population, 2019	Downtown Resident Population	Multifamily Housing Units
Jacksonville, FL						3,851
Cincinnati, OH	On Ohio River Proctor & Gamble HQ	Kroger & Macy's HQs Cincinnati Music Hall	300,357	Hamilton County 817,473	1,736	4,618
Kansas City, MO	On Missouri River Kansas City barbeque	Jazz Music History Hallmark Cards HQ	481,417	Jackson County 703,011	9,062	2,821
Louisville, KY	Consolidated city/county government On Ohio River Kentucky Derby/ Churchill Downs	Brown and Seelbach Hotels Humana HQ	767,154	Jefferson County 766,757	45,293	3,673
Tampa, FL	On Tampa Bay/Port City County seat (Hillsborough) Home to 20 Corporate Headquarters	River Walk Historic Ybor City Florida Aquarium	376,345	Hillsborough County 1.47 million	7,246	9,141
West Palm Beach, FL	County seat (Palm Beach) Corporate HQ World class shopping & entertainment districts	Acclaimed medical centers Intracoastal Waterway/Port City	108,365	Palm Beach County 1.50 million	29,946	7,812

Source: U.S. Census Bureau; ESRI 2019; RMA; Willdan 2021

**Table 2: Downtown Market Age Profiles**

	Pre School 0-4 Yrs.	School Age 5-19 Yrs.	Early Career 20-34 Yrs.	Mid Career 35-49 Yrs.	Late Career 50-64	Retiree 65+ Yrs.	Total
Jacksonville, FL							100%
Cincinnati, OH	2%	6%	44%	22%	12%	13%	100%
Kansas City, MO	2%	6%	50%	26%	9%	8%	100%
Louisville, KY	3%	11%	34%	26%	15%	11%	100%
Tampa, FL	5%	11%	37%	25%	11%	12%	100%
West Palm Beach, FL	6%	15%	26%	19%	14%	20%	100%
Average	4%	11%	36%	23%	12%	14%	100%

Source: U.S. Census Bureau; ESRI 2019; RMA; Willdan 2021

## Key Market Segments

Downtown populations include a combination of residents, employees, students, and visitors. All contribute in differing quantities to the daytime and overnight populations and underpin the market's support for housing, office, shops, restaurants, hotels, attractions, and other facilities and services.

Typically, the real estate mix is reflected by the makeup of the population, one in which the supply typically follows demand. It is the deployment of incentives that can alter this pattern, introducing supply in advance of demand and accelerating market momentum. Thereafter, there is a constant tinkering that must occur to sustain past gains and create future opportunities to increase economic output.

Demand is people. The types of people within the market will ultimately be the primary drivers of real estate development, with each segment demanding different services, lodging types, entertainment options, retail types, and food choices.

### Residents

A few consumer segments are more typical in downtowns. They include workers whose offices are nearby, affluent empty nesters/retirees who prefer downtown conveniences, students, and importantly, younger professionals. These segments represent a typical evolution where younger residents seek the conveniences to work and entertainment opportunities, often in non-family households. As this population ages and creates new resident family households, considerations for additional space, school quality, and affordability shift their demand to less-urban locations where options to meet

these conditions are more plentiful. Later in life, resident or even second home empty nesters seeking to downsize may opt to shift to an urban "pied-a-terre" that eliminates or reduces home maintenance and automobile requirements. In strong destination markets, a portion of the multi-family market will also cater to the visitor segment, as ordinances allow.

The current leading nationwide demographic generating demand for downtown housing is the 25-34 age cohort, which has driven interest for downtown rental apartments. This has increase speculation and conversion of older or obsolete office and industrial buildings into apartments and condominiums. In several cities, notably Cincinnati, Tampa and Kansas City, declining office employment or difficulty in leasing inefficient older office buildings have made these properties attractive for residential conversions. These patterns are well represented in Table 2, presented on the previous page.

Downtown residents often have a wide range of housing options including high-, mid-, and low-rise structures containing apartments and condominiums, and lesser number of attached houses (townhomes) and single-family homes. The scarcity of land, and its expectedly higher cost in urban environments, is what drives dense, multi-story housing types where the achieved densities create the economies of scale and the ability to effectively price inventory.

**Table 3: Downtown Market Context**

City	City Pop. 2019	Downtown Resident Pop.	Multi Family Units	% DT	MF Units/Res.
Jacksonville, FL					0.62
Cincinnati, OH	300,357	1,736	4,618	0.6	2.66
Kansas City, MO	481,417	9,062	2,821	1.9	0.31
Louisville, KY	767,154	45,293	3,673	5.9	0.08
Tampa, FL	376,345	7,246	9,141	1.9	1.26
West Palm Beach, FL	108,365	29,946	7,812	<u>27.6</u>	<u>0.26</u>
Avg.				3.4	0.32

Source: U.S. Census Bureau; ESRI 2019; RMA; Willdan 2021

### Students

College and university students are important to the life and vitality of downtown areas, particularly students that live downtown and are part of the overnight population.

Large downtown student populations are also found in Cincinnati, Louisville, and Tampa. Downtown Jacksonville is bordered by the Downtown Campus and administrative offices of Florida State College at Jacksonville (FSCJ). In addition, the UNF Coggin College of Business Center for Entrepreneurship and Innovation is located downtown.

### Visitors

Tourism is Florida’s top economic driver with 127 million visitors annually. The impact to the economy for the state is \$85.9 billion. The visitor population includes day visitors from the surrounding area and overnight visitors from outside the region staying at hotels while attending conventions and meetings, visiting downtown attractions, and other special/sporting events. According to Downtown Vision, Inc. data, Jacksonville attracts more than 20 million visits annually.

### Employers/Employees

Downtown employees include private-sector office workers, typically the largest segment, service workers, and other private sector employees, plus government and institutional (education and health care) workers. Please refer to Appendix Table B-2 for a comparison of these numbers.

Currently, there are 56,000 employees who work in Downtown Jacksonville, however Steinmart’s bankruptcy and closing of their headquarters on the Southbank hurt Jacksonville’s office market, already reeling from TIAA Bank’s vacating 51,000 square feet on the Northbank.

The new JEA (Jacksonville Electrical Association) and FIS (Fidelity National Information Services Inc.) headquarters will have approximately 462,000 square feet of office space.

Major employers are a key source of demand for downtown real estate and the associated services that their employees seek. Aside from the occupancy of office space, employees require the basics of housing, groceries, schools, health services, parking, and the myriad of services that support day-to-day

living. Headquarter companies often generate substantial levels of visitation through meetings and other corporate activities. Often, major employers are often keenly focused on their respective communities, seeking and supporting efforts to create a safe and enjoyable community that benefits their employees and their ability to attract talent.

The presence of significant major employers throughout the reviewed peer cities is an expected finding. The significant number of headquartered companies in Tampa reflects Florida's advantageous tax environment that is also a feature of Jacksonville.

Presented in Table 4 are a listing of major employers among the peer cities. These companies are the major tenants in their respective markets. Office inventory in Jacksonville totals 13.6 million square feet. A tenant with 500,000 square feet would represent just under 4 percent of Jacksonville's market and contain enough space to house over 3,300 employees. Relocations can have significant when they occur, both positive and negative.

Compared to the reviewed peer cities, Jacksonville is competitively positioned, with rents just over \$22 per square foot. Near term challenges emanating from increased work-from-home during the Covid pandemic should be closely monitored for permanent structural changes to the workforce. This may result in increased conversion to residential opportunities over the midterm. Office statistics for the peer cities is presented in Table 5 on page 13.

**Table 4: Major Downtown Private Employers, Governmental Facilities, Institutions, and Downtown Employment**

City	Headquarters Companies	Others Major Employers	Downtown Major Government Facilities & Institutions (1)	2019 Downtown/CBD Employment
<b>Jacksonville, FL</b>	Fidelity National Financial CSX Corp TIAA Bank Fidelity Information Services (FIS)	Bank of America Wells Fargo Bank Baptist Health	Duval County Courthouse US Courthouse Federal Building US Corps of Engineers US Federal Reserve Bank	45,557
<b>Tampa, FL</b>	University of Tampa Tampa General Hospital 20 corporate headquarters	Tampa Bay Tech Tampa Bay WaVe	Hillsborough County Courthouse USGA US Courthouse Timberlake Federal Annex	31,106
<b>West Palm Beach, FL</b>	Ocean Financial Corporation American Sugar Refining	Cleveland Clinic NY Langone JFK North Good Samaritan St. Mary's	Palm Beach County Courthouse Federal Building & Courthouse AUTECH Building	13,510
<b>Cincinnati, OH</b>	Proctor & Gamble Macy's Company Convergys Kroger Fifth Third Bancorp EW Scripps Great American Insurance Omnicare	Cincinnati Bell American Financial Group DunnhumbyUSA Duke Energy PNC Financial Services Accenture	US Courthouse US EPA Environmental Research Center (nearby) Univ. of Cincinnati, Uptown Campus (nearby) Univ. of Cincinnati Medical Complex (nearby)	58,305

City	Headquarters Companies	Others Major Employers	Downtown Major Government Facilities & Institutions (1)	2019 Downtown/CBD Employment
<b>Kansas City, MO</b>	Hallmark Cards Black & Veatch Commerce Bankshares H&R Block UMB Financial Corp Burns & McDonnell American Century Investments HNTB DST Systems	Accenture AT&T (Regional HQ) Transamerica Funds	US Federal Reserve Bank (reg HQ) US Social Security Administration US Fed Bureau of Investigation US Internal Revenue Service Ctr US General Services Admin (reg HQ) Univ Missouri Kansas City medical complex, multiple facilities	32,076
<b>Louisville, KY</b>	Humana, Inc. Hillerich & Bradsby Republic Bank & Trust S.Y. Bancorp Kindred Healthcare INDATUS Corp YUM! Brands	AT&T (Kentucky HQ) Mercer, Inc. Wellpoint, Inc. Anthem BCBS PNC Financial Services Horseshoe Southern Indiana	US Federal Reserve Bank Jewish Hospital & St. Mary's Healthcare Norton Healthcare Pavilion Univ. of Louisville School of Medicine and Health Center	3,978

Source: U.S. Census Bureau; ESRI 2019; RMA; Willdan 2021

**Table 5: Downtown Office Market Metrics**

City	Total Office Space (millions of square feet)/1	Rents (per square foot)	Vacancy Rate (%)
Jacksonville, FL	13.6	\$22.29	9.8
Tampa, FL	11.6	\$31.96	8.8
West Palm Beach, FL	5.3	\$43.29	14.1
Cincinnati, OH	24	\$19.88	10
Kansas City, MO	17.9	\$20.01	7
Louisville, KY	16.8	\$17.86	7.3

1/Office space data may vary widely by source due to types of space and number of buildings included in their surveys. Some sources may include only Class A or Class A and Class B buildings, while others may also include Class C buildings. Some sources also may only include leasable buildings, while others may also include owner-occupied buildings.

Source: Costar; RMA; Willdan 2021

Table 6: Office Market Summary

City	Square Feet of Retail	Rents per Square Foot	Vacancy Rate
Jacksonville, FL	1.1M	\$14.42	5.0%
Tampa, FL	1.6M	\$26.17	4.8%
West Palm Beach, FL	3M	\$33.85	2.0%
Cincinnati, OH	2M	\$17.15	7.8%
Kansas City, MO	1.5M	\$17.77	0.5%
Louisville, KY	2.6M	\$16.94	6.4%

Source: CoStar; RMA; Willdan, 2021

## II. COMPONENTS OF SUCCESSFUL DOWNTOWNS

---

Distinctive and significant visitor attractions are often vital components for successful downtown and found within all the downtown areas profiled. They include convention centers, aquariums, zoological parks, major arts and cultural facilities, and sports and entertainment venues/districts. Downtowns also feature wide ranges of hotels, restaurants, and retail facilities. All combine in various ways to make these downtown areas an attractive living environment for residents and appealing to visitors.

Vibrant and successful downtowns often have name-recognizable neighborhoods and districts with distinctive identities and that relate to their history and ethnicity, and importantly, also become associated with efforts to promote and focus desired economic activity. This is an important concept of branding, which preserves and cultivates the character of an area.

Downtown Jacksonville has several named neighborhoods and districts, including Brooklyn, LaVilla, Cathedral District, Eastside, and the Southbank. While these names do not currently reflect specific history, ethnicity, character, or economic orientation, they are established places that should become more prominently associated with the desired experience within each and their economic and development goals.

Descriptions of the key concepts and features of successful component neighborhoods are provided in the text that follows. The specifics for each

peer city is presented in the detailed write ups for each city that follows this section.

### Clustering of Venues and Support Services

Clustering of convention, cultural, entertainment, and sports venues, and commercial facilities including hotels, restaurants, and retail shops, provides the synergy and critical mass to broaden market exposure and enhance opportunities for success. Clustering is further enhanced through ease of access through all modes of transportation, transit services, and streetscaping that creates a lasting visual impression.

### Professional Sports Venues

Professional football often draws the largest single-day crowds (8 games). or other professional sports, the draw is smaller, but home schedules are larger and more frequent. Excluding post-season play, baseball has the most home games (80), followed by basketball (36), hockey (28), and soccer (17).

Out-of-market visitor impacts from professional sports can vary significantly. Baseball, for example, is sensitive to the proximity of the opponent to the home team, with cities nearer by having the greatest impact on hotel stays, restaurant spending, and visitation to other attractions. Professional football games are a scarcer commodity that more frequently become planned events that drive higher levels of non-resident visitation and the associated spending.

Except for Kansas City and West Palm Beach, peer cities feature downtown venues for major league sports. Jacksonville's TIAA Field is home to the NFL Jaguars and hosts the large annual Florida-Georgia and Gator Bowl collegiate

football games. Cincinnati (MLB, NFL), has two major league venues (see Appendix Table B-4).

Downtown Louisville, and Jacksonville also have minor league baseball stadiums and downtown Cincinnati has minor league hockey (see Table D-4).

## Aquariums and Zoos

Aquariums and zoos are less frequently developed and feature prominently when present. Only two of the peer cities offer this attraction. Typically, these are collocated or nearby other visitor attractions or in entertainment districts alongside retail outlets, restaurants, and other complimentary activities.

## Convention Centers

Peer cities all feature downtown convention centers. Their contexts, however, do vary. Large centrally located centers are found in Tampa, Cincinnati, and Kansas City, ranging in size from 750,000 to 1.3 million square feet in total floor area. Often, they include attached or adjacent headquarter hotels that possess larger, complementary quantities of meeting space.

## Arts and Cultural Facilities

Significant performing arts centers, museums, and cultural facilities are found to a greater or lesser degree in all the peer city downtowns (see Background Data in the final section of this report). Larger facilities are often the primary attraction and can draw large levels of visitation, while smaller venues seek locations near others to create a diversity of options that can appeal to broader segments of the resident and visitor market.

**Figure 1: Tampa Convention Center**



**Source: City of Tampa, 2020**

Jacksonville venues include the Times Union Center for the Performing Arts, Florida Theatre, Museum of Science and History (MOSH), Museum of Contemporary Arts (MOCA), Veterans Memorial Arena and Ever Bank Field hosting large festivals and concerts, LaVilla Middle School for the Arts, Metropolitan Park Amphitheatre, Ritz Theatre, Jacksonville Historical Society Museum, Friday Musicale, and neighboring, regionally significant, Cummer Museum and Gardens, Riverside Arts Market, and Unity Plaza (under construction).

## Retail/Dining/Entertainment Facilities

Food, shopping, and entertainment venues and areas are the primary components that create a destination entertainment attraction like the “Live!” Districts in Kansas City and Louisville. These are often conceptualized mixed-use projects that seek public sector support create sufficient scale to attract national and regional retailers, as well as entertainment acts that will draw overnight visitors, guests, and residents.

**Figure 2: Clematis Street, West Palm Beach, FL**



**Source: West Palm Beach CRA**

Market demand for restaurants and retailers is driven by downtown residents, workers, students, and visitors and the presence of other major attractions.

Tampa’s Downtown Partnership administers clean and safe, Placemaking, marketing, transportation, grants, and downtown security programs to attract and retain visitors.

**Figure 3: Tampa Convention Center**



**Source: Visit Tampa; RMA, 2020**

The grants program includes storefront improvements, sidewalk cafes, murals, public space activations and others. Named downtown venues and areas with concentrations of food, shopping, and/or entertainment facilities in other cities are shown in the Appendix Tables to illustrate development concepts and market opportunities.

The New Sparkman Wharf is one of the most popular things to do in Tampa right now. This outdoor food hall has lots of pet friendly green space, a beer garden and it’s located conveniently near the arena and right next to the cruise terminal.

The restaurants are all housed in recycled/repurposed shipping containers as illustrated by the following Sparkman Wharf map.

**Figure 4: Sparkman Wharf, Tampa, FL**



Source: Sparkman Wharf; RMA, 2020

## Large-Screen Theaters

IMAX Theaters and similar large-format theaters are found downtown in all the cities profiled. They are a central component of a destination entertainment cluster that typically includes other cultural arts attractions, retail, dining, and entertainment uses. These theaters are often located within or affiliated with aquariums, museums, and science centers, facilities that anchor entertainment locations that attract greater shares of families and children.

## Downtown Public Markets

Urban public markets selling fresh and prepared foods are found in all the cities peer cities profiled. Public markets provide an excellent opportunity to activate urban streetscapes during weekends when parking is more readily available. These markets provide an excellent opportunity for local and regional farmers

and craftspeople to access resident consumers, while providing an attraction to visitors as well. These facilities often include large components of foodservice in addition to their retail offerings. Cincinnati’s Findlay Market in the Over-The-Rhine neighborhood dates to 1852 and is Ohio’s oldest continuously operated public market. West Palm Beach offers the new GreenMarket, Tampa has Heights Public Market and Armature Works, and Louisville has Logan Street Market. The City Market in Kansas City dates to 1857 and is in the downtown River Market neighborhood. Jacksonville’s Riverside Arts Market currently operates weekly and includes produce, artisan and locally grown products for sale.

**Figure 5: City Market, Kansas City**



Source: RMA, 2020

**Table 7: Comparative Downtown Venues & Attractions**

City	Convention Center	Professional Sports	Arts, Culture, & History	Entertainment
<b>Jacksonville, FL</b>	Prime Osborn Convention Center Total Floor Area: 265,000sf Contiguous Floor Area: 78,500sf	TIAA Bank Field 121 Financial Ballpark VyStar Veterans Memorial Arena	Times-Union Center for the Performing Arts Florida Theatre Museum of Science and History Museum of Contemporary Art Ritz Theatre & Museum Friday Musicale LaVilla School of the Arts Riverside Arts Market	VyStar Veterans Memorial Arena (multipurpose arena) Unity Plaza Riverside Arts Market
<b>Tampa, FL</b>	Tampa Convention Center	Raymond James Stadium Tropicana Field Amalie Arena	Straz Center Museum of Art	Sparkman Wharf Channelside Heights Market & Armature Works
<b>West Palm Beach, FL</b>	Palm Beach County Convention Center 100,000 sq. ft. contiguous space ground level	FITTEAM Ballpark of the Palm Beaches (MLB Spring Training)	Kravits Center of Performing Arts	Rosemary Square (formerly CityPlace Live Entertainment) Harriet Himmel Theater
<b>Cincinnati, OH</b>	Duke Energy Convention Center	Paul Brown Stadium Great America Ballpark US Bank Arena	Fountain Square Aronoff Center for the Arts Cincinnati Music Hall Cincinnati Art Museum Cincinnati Museum Center (CMC) at Union Terminal National Underground Railroad Freedom Center	Fountain Square CMC IMAX Theater The Banks (ex) Horseshoe Casino Cincinnati

City	Convention Center	Professional Sports	Arts, Culture, & History	Entertainment
<b>Kansas City, MO</b>	Kansas City Convention Center	Outside downtown area Arrowhead Stadium (NFL) Kauffman Stadium (MLB) Sporting Kansas City (MLS)	Kauffman Center for the Performing Arts Municipal Auditorium Kansas City Repertory Theater Liberty Memorial/National World War I Museum	Power & Light District T-Mobile Center Crown Center (Legoland, Discovery Center and Sea Life Aquarium) Union Station National Collegiate Basketball Hall of Fame
<b>Louisville, KY</b>	Kentucky International Convention Center	Louisville Slugger Field Lynn Stadium	The Kentucky Center for the Performing Arts Muhammad Ali Center Louisville Slugger Museum Frazier History Museum Kentucky Science Center (KSC)	KFC Yum Center (multi-purpose arena) Fourth Street Live) KSC IMAX Theater

**Table 8: Other Downtown Attractions, Annual Visitors and Hotels**

City	Other Downtown Attractions	Annual Visitors	Downtown Hotels	
			Convention Center Area (# of rooms)	All Hotels (# of rooms)
<b>Jacksonville, FL</b>	Northbank Riverwalk and Southbank Riverwalk Friendship Fountain Metropolitan Park (riverfront)	20 million	No hotels nearby (Partner hotels- Hyatt Regency, Omni, Sheraton)	2,361 6 Hotels Under construction & Proposed
<b>Tampa, FL</b>	American Victory Ship Mariners Museum Florida Aquarium Florida Photographic Arts Glazer Children’s Museum Henry B. Plant Museum Tampa Bay History Center	24.5 million (2019 Hillsborough County)	14 hotels in vicinity	1,500 hotel rooms U/C or proposed 1,000 renovations
<b>West Palm Beach, FL</b>	Flagler Museum Norton Museum of Art AMP Music Lab GreenMarket Ann Norton Sculpture Gardens Mandel Public Library	8.22 million (2019 Palm Beaches)		1200+ current/proposed
<b>Cincinnati, OH</b>	Findlay Market Fountain Square Sawyer’s Point Park/Proctor & Gamble Pavilion/Smale Riverfront Park	26.6 million (2017 Cincinnati Region)	The Millennium - 872 Hilton Netherlands Plaza - 561 Hyatt Regency - 491 The Cincinnati - 146	3,829 current, 1,114 U/C

City	Other Downtown Attractions	Annual Visitors	Downtown Hotels	
			Convention Center Area (# of rooms)	All Hotels (# of rooms)
<b>Kansas City, MO</b>	Crossroads Arts District River Market neighborhood City Market Lincoln Memorial Mall and Liberty Memorial Berkley Riverfront Park Riverfront Heritage Trail 18th & Vine Jazz District (nearby)	25.2 million (2016 City)	Marriott Downtown - 946 Crowne Plaza - 385 Holiday Inn Downtown - 193	6,415 current 1,508 rooms U/C, 692 Planned
<b>Louisville, KY</b>	Whiskey Row South Fourth Street area West Main Street area/Museum Row NuLu (East Market Street area) Louisville Waterfront Park (85-acres) and Louisville Riverwalk Historic Brown and Seelback hotels Louie Link skywalk (6 blocks) Belle of Louisville riverboat	16.4 million (2019 City)	Galt House - 1,290 Marriott Downtown - 616 Hyatt Regency - 393 Courtyard Downtown - 132	4,824 current

Based on data from Downtown Vision, Inc.

All numbers are approximations.

Includes fine and casual dining, coffee shops, luncheonettes, fast food establishments, etc. Numbers are approximations.

Retail store definitions vary by city. Some include service establishments; others report retail stores only. Numbers are approximations.

**Source: Visitor Bureaus; CoStar; RMA; Willdan 2021**

## Transit Services

Nearly all downtowns are served by busses and/or rubber-tire trolleys. These, and other forms of public transportation, connect housing to job centers, catalyze downtown foot traffic, and expand time on the ground and retail/dining/entertainment spending patterns.

Figure 6: West Palm Beach Trolley



Source: WPB Now; RMA, 2020

## Complete Streets and Pedestrian Facilities

Complete streets are designed so all modes of transportation can share the road safely, including automobiles, pedestrians, bicycles, and transit, by providing bicycle lanes or Shared Lane Markings (sharrows), as well as sidewalks, parking and transit accommodations.

Complete streets policies have been adopted in the profiled cities and are being implemented in various stages. According to Smart Growth America,

Downtown Jacksonville Market Feasibility Study

Complete Streets programs are an influential factor in Downtown revitalization by serving to improve the pedestrian and biking experience, increasing time on the ground, and expanding retail/dining/entertainment spending patterns.

## III. PEER CITY CHARACTERISTICS

### Cincinnati, OH

#### Clustering of Venues and Support Services

Cincinnati's primary Downtown destination is anchored by the Smale Riverfront Park fronting the Ohio River, clustered with the National Underground Railroad Freedom Center, Paul Brown Stadium (home of the NFL Cincinnati Bengals), Great American Ball Park (home of the MLB Cincinnati Reds), and a large mixed-use hotel, office, retail, and residential complex called The Banks located between the two stadiums.

Fountain Square also serves as a hub of activity and the focal point of the new downtown development known as The Foundry, which involves the conversion of the former Macy's-anchored Fountain Place into a modern, mixed-use development, slated to reactivate one of the most prominent buildings in Downtown Cincinnati.

The secondary Downtown Cincinnati anchor/cluster is the Duke Energy Convention Center, supported by more than 2,500 hotel rooms and ample dining offerings.

The Cincinnati Music Hall is located adjacent to Washington Park within a cluster of other performing arts venues that are home to the Cincinnati Symphony Orchestra, Cincinnati Pops Orchestra, Memorial Hall, and the

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Cincinnati Opera. The Cincinnati Museum Center and its IMAX theatre are located within the iconic Union Station building while the Underground Railroad Freedom Center is sited directly between the city’s professional sports stadiums a diversity of food and beverage and lodging businesses that surround them.

Cincinnati’s Findlay Market in the Over-The-Rhine neighborhood dates to 1852 and is Ohio’s oldest continuously operated public market. Tampa has Heights Public Market and Armature Works, and Louisville has Logan Street Market. The City Market in Kansas City dates to 1857 and is in the downtown River Market neighborhood. Jacksonville’s Riverside Arts Market currently operates weekly and includes produce, artisan and locally grown products for sale.

Cincinnati has a 3.6-mile streetcar system. The line runs between The Banks mixed-use development on the Ohio River to the Findlay Market area in the Over the Rhine neighborhood. The Kansas City streetcar project is two miles long with 18 stops and runs from the River Market District of downtown to Crown Center.

Cincinnati’s elevated walkway systems (“skywalks”) link downtown attractions, hotels, and office buildings. The enclosed system links Duke Energy Convention Center with several hotels and office buildings over a 15-block area.

### Real Estate Developments

Cincinnati’s 3CDC non-profit corporation seeks to strengthen the core assets of downtown by revitalizing and connecting the Central Business District and Over-the Rhine. Since 2004 their efforts have yielded nearly \$1.4 billion in redevelopment and new construction investment.

Table 9: Downtown Cincinnati Assets & Attributes. 2021

Venue Type	Venue Name
Convention Center	Duke Energy Convention Center
Professional Sports	Paul Brown Stadium Great America Ballpark US Bank Arena
Arts, Culture, & History	Fountain Square Aronoff Center for the Arts Cincinnati Music Hall Cincinnati Art Museum Cincinnati Museum Center (CMC) at Union Terminal National Underground Railroad
Entertainment	Freedom Center Fountain Square CMC IMAX Theater The Banks (ex) Horseshoe Casino Cincinnati

Source: City of Cincinnati; RMA, 2021

Their four strategic goals are to create great civic spaces; high-density/mixed-use development; preserve historic structures and streetscapes; and build diverse mixed-income neighborhoods supported by local businesses.

Some of the noteworthy projects include 4<sup>th</sup> & Race, a new residential tower that will consist of a 584-space above-grade parking garage, 22,000 square feet of street-level commercial space and 264 apartment units, beginning on level 7 of the building. The 3CDC portion of the project cost is \$44 Million.

Figure 7: The Foundry, Cincinnati, OH



Source: 3CDC, Cincinnati

One of the largest and most ambitious projects in Cincinnati is The Foundry, which involves the conversion of the former Macy's- anchored Fountain Place into a mixed-use development.

The project will convert the 3.5 story structure into roughly 150,000 square feet of Class A office space, along with 35,000 square feet of street-level retail/restaurant space. This redevelopment will connect the area around the convention center with Fountain Square.

Another project includes Academy Lofts being developed by 3CDC at a project cost of \$1.4 Million. This is a redevelopment of an art academy building, which will now be for-sale condominium units. This is significant because the 3CDC was created by the City to improve the Central Business District.

Figure 8: Academy Lofts



Source: 3CDC, Cincinnati

### Public Incentives/Investment

The City of Cincinnati utilizes Tax Increment Financing (TIF) districts to catalyze development. As of 2019, The City of Cincinnati has 20 established TIF districts, each with a funding account. Combined, these accounts contained roughly \$29 million — about \$10 million of which was available to spend to maintain required debt coverage ratios. Approximately \$36 million has been spent from the accounts since 2007 that supported the issuance of bond funding totaling \$163 million for large-scale, catalytic redevelopment projects. These include residential, retail and office developments, the renovation of Washington Park, public parking garages, and public infrastructure for FC Cincinnati's West End stadium

**Table 10: Cincinnati, OH Incentives Overview**

Program Structural Characteristics	CRA Commercial Abatement Program	Ohio Preservation Historic	Tax Increment Financing	Notice of Funding Availability (NOFA Loan Program)
Target Sector (Office, Retail, Residential, Hotel)	Multi-family, commercial, industrial, or mixed-use	Historically designated buildings	Large-scale developments	Multi-family housing
Target Area	Streetcar VTICA Area	Historic Districts	35 across the city	Multiple districts across city
Form of Incentive (Cash, TIF, Tax Credit, Loan)	Tax Abatement	Tax credit	TIF	Long-term, low, fixed-rate loan
Min/Max Developer Investment	N/A	N/A	N/A	Min: No less than 5% of project cost
Min/Max Incentive Value	Max Time Period: 15 years, typically less	Max: \$5 million, \$25 million for “Catalytic Project” (large-scale, significant econ. dev)	Available funds range per TIF district: \$100,000 - \$3.5 million (as of 2019) <sup>1</sup>	Max: Up to 40% of project cost (not to exceed \$1 million)
Eligibility Requirements	Negotiated	<ul style="list-style-type: none"> <li>▪ Designated as a historic building on various registries/districts</li> <li>▪ Owner or Qualified Lessee</li> <li>▪ Not function as single-family or multi-family condominium residential building</li> </ul>	Negotiated	<ul style="list-style-type: none"> <li>▪ 60% financing secured from non-City sources</li> <li>▪ Secured traditional debt</li> <li>▪ Promotes home ownership</li> <li>▪ Affordable, mixed-income and mixed-use projects</li> <li>▪ Improves related public infrastructure</li> </ul>

<sup>1</sup> Swartsell, N. (2020, Dec. 11). *Each Cincinnati TIF District, by the Numbers*. City Beat.

Program Structural Characteristics	CRA Commercial Abatement Program	Ohio Preservation Historic	Tax Increment Financing	Notice of Funding Availability (NOFA Loan Program)
<b>Program Outcomes</b>	Taxable Value/Property Assessment Increase: 2012: <b>\$3.67B</b> 2019: <b>\$4.2B</b> Increase: <b>16%</b>			
<b>Link to Incentive Program Application/Overview</b>	<a href="https://choosecincy.com/wp-content/uploads/2020/07/Financing-VTICA-Policy-Doc-Net-52.pdf">https://choosecincy.com/wp-content/uploads/2020/07/Financing-VTICA-Policy-Doc-Net-52.pdf</a>	<a href="https://development.ohio.gov/cs/cs_ohptc.htm">https://development.ohio.gov/cs/cs_ohptc.htm</a> <a href="https://development.ohio.gov/files/redev/OHPTC-Program-Policies-Aug-2020-draft.pdf">https://development.ohio.gov/files/redev/OHPTC-Program-Policies-Aug-2020-draft.pdf</a>	<a href="https://choosecincy.com/wp-content/uploads/2021/02/MP-Application%E2%80%932019.pdf">https://choosecincy.com/wp-content/uploads/2021/02/MP-Application%E2%80%932019.pdf</a>	<a href="https://choosecincy.com/wp-content/uploads/2020/03/NOFA-2020-Guidelines.pdf">https://choosecincy.com/wp-content/uploads/2020/03/NOFA-2020-Guidelines.pdf</a>
<b>Other Notes</b>	Not subject to gap financing analysis if meet green building requirements	<ul style="list-style-type: none"> <li>Monitoring and compliance inspection</li> <li>Competitive, open cycle, first-served basis</li> <li>Funds reserved for different scale projects</li> </ul>	15 new TIF Districts created in 2019	<ul style="list-style-type: none"> <li>Competitive process</li> <li>2 rounds of disbursement</li> <li>Funds for site prep, construction hard costs, infrastructure</li> <li>Total fund amount \$5.75 million</li> </ul>

Source: City of Cincinnati, OH Department of Community and Economic Development, Willdan 2020.

## Best Practices

Cincinnati's success can be attributed largely to aggressive economic development efforts, flexible funding sources, and a multimodal regional transportation plan that strategically serves downtown, connecting residents to employment centers and destination family entertainment, dining, shopping, Sports and Entertainment.

The City also supports sustainability through a climate protection program, and a major energy project that is underway. The City is actively addressing the lack of housing inventory in Downtown Cincinnati and growing homeless community with the creation of the GeneroCity 513 Initiative, one of the City's leading urban revitalization programs. GeneroCity 513 is an initiative aimed at helping individuals who have been driven to panhandling, including those facing unfortunate circumstances like homelessness, addiction and mental illness.

Utilizing a multi-faceted approach, GeneroCity 513 has been designed to offer a positive alternative to panhandling, help connect panhandlers to social service agencies, and provide strategic case management to the most visible homeless persons in downtown Cincinnati. The initiative's programs include a Jobs Van, Outreach Workers and Donation Stations.

GeneroCity 513 is a partnership between the Cincinnati Center City Development Corp. (3CDC), Downtown Cincinnati Inc. (DCI), the City of Cincinnati, City Gospel Mission (CGM), Greater Cincinnati Behavioral Health Services (GCBHS), and Strategies to End Homelessness.

## Kansas City, Missouri

### Clustering of Sports & Support Services

Downtown Kansas City has two major clusters of attractions and support facilities. The first includes the T-Mobile Center (a multi-purpose arena), Kansas City Convention Center, Municipal Auditorium (arena, music hall, and theater), Kauffman Center for the Performing Arts, Power & Light District food/shopping/entertainment complex, and several hotels.

The second cluster includes Hallmark's 85-acre Crown Center office/shopping/entertainment complex, Lincoln Memorial Mall (linear park and monument) and Liberty National World War I Museum, and Union Station – an 850,000 square foot complex of shops, restaurants, entertainment facilities, and Science City exhibits, large-screen theater, and the Gottlieb Planetarium. The Kansas City Streetcar provides free light rail transportation along a two-mile route through downtown.

### Real Estate Development Activity

The Kansas City Power and Light District is in the center of downtown, anchored by *Kansas City Live!* It features a full concert stage and hosts marquee events. This project is directly across from the T-Mobile Center, a multi-purpose sports and event arena. The \$850 million District is the cornerstone of a \$5 billion urban renaissance for Downtown Kansas City, catalyzing the development of a new performing arts venue, arena, convention center expansion, and 10,000 new urban residential units.

Kansas City recently lost a major downtown tenant, the Kansas City Star and 124 jobs, creating a large block of vacant office and production space. Federal

jobs are a major factor in downtown Kansas City, home to district and regional offices of several Federal agencies, including the Federal Reserve Bank and Internal Revenue Service.

### Public Incentives/Investment

According to the Kanas City Economic Development Corporation, the City’s current tax incentives programs include:

- Tax Increment Financing (TIF)
- Enhanced Enterprise Zone (EEZ)
- Chapter 353 Tax Abatement (353)
- Chapter 100 Sales Tax Exemption (Ch100)
- Planned Industrial Expansion Authority (PIEA)
- Port KC and Land Clearance for Redevelopment Authority (LCRA).

The City Council approves incentives awards for the following programs (TIF, EEZ, 353 and Ch100). For PIEA, Port KC and LCRA, non-elected board appointed by the mayor grants the incentives.

As of March 2021, Downtown Kansas City has more than 1,866 multi-family units, 669 hotel rooms, 925,000 square feet of office space under construction or proposed, with an estimated investment value of \$2.09 billion. However, the City’s incentives programs are facing increasing scrutiny due to nonperformance of TIF-funded projects following the 2008 economic downturn.

Momentum toward reforming incentives began building in Summer 2020. During nationwide protests over police brutality and racial justice, the City Council was considering granting a 13-year extension to a company that had

**Table 11: Downtown Kansas City, MO Development Pipeline (2021)**

	Units/Sq. Ft.	\$ Millions
Multi-family Rental (Units)	1,866	\$790.1
Office (Sq. Ft.)	925,000	\$958.0
Hotel (Rooms)	669	\$38.0
Medical Campus/Office	572,512	\$305.0
<b>Total Investment</b>		<b>\$2,091.1</b>

Source: Kansas City Business Journal; Willdan, 2021

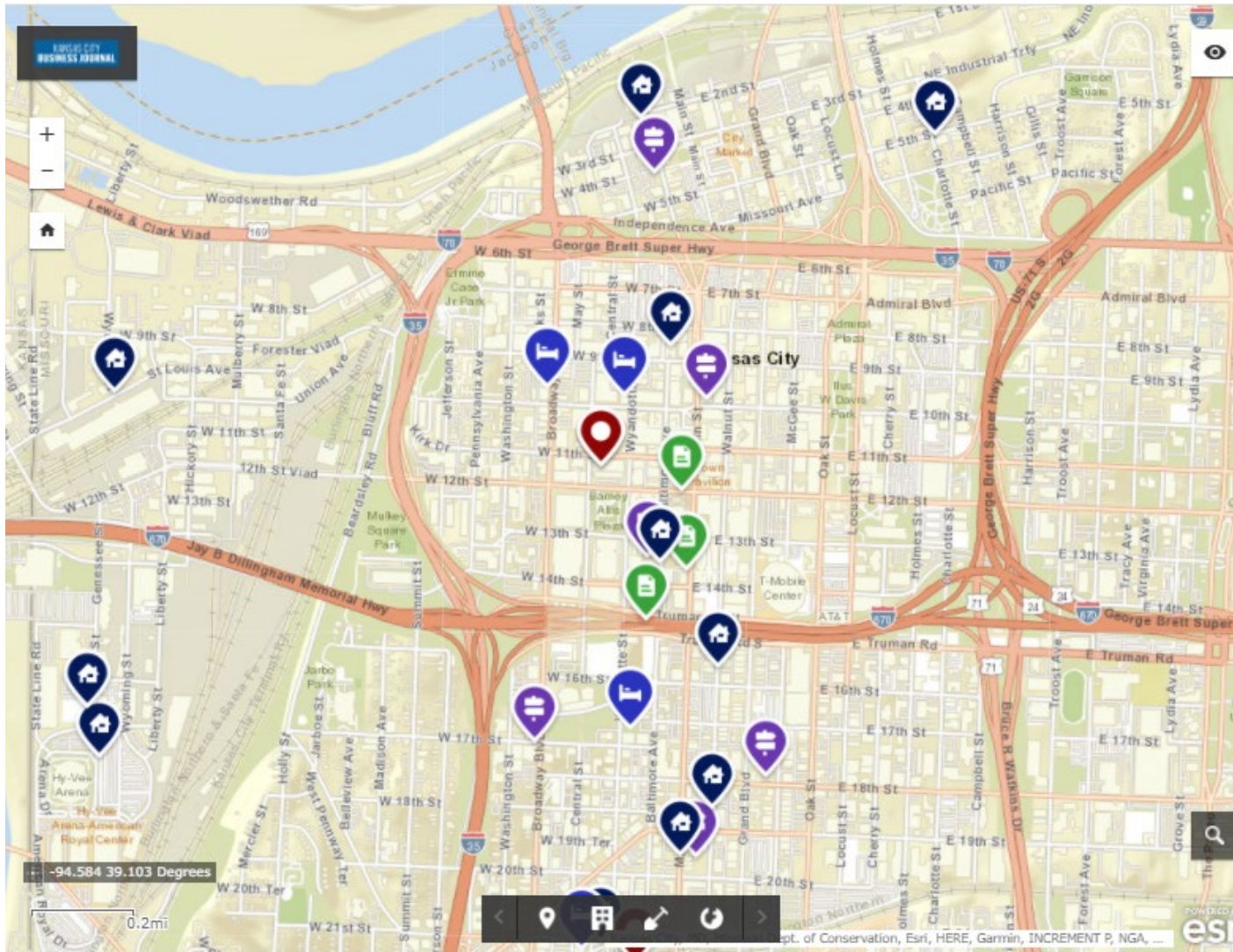
already received 20 years of tax abatements. The company reported it had been offered incentives to move across the state line to Kansas.

According to the Kansas City Star, the Superintendent of Kansas City, Missouri schools (Mark Bedell) submitted an open letter to the Kansas City Council, calling the deal an example of systemic racism and one that would never occur in the majority-white school districts in North Kansas City.

The City Council’s Neighborhood Planning and Development Committee successfully secured unanimous Council approval to reform the City’s incentives offerings, reducing the term of tax abatements from 25 years to 15 years.

City Council is currently evaluating how to enforce monitoring the performance of TIF projects including post-construction job creation and for return on public investment. The detailed program characteristics are provided in the following tables.

Figure 9: Downtown Kansas City Development Activity, March 2020



Source: Kansas City Business Journal, March 2021

**Table 12: Kansas City, MO Incentive Overview**

Program Structure <sup>2</sup>	BUILD Program	EDC Loan Corporation Revolving Loan	Chapter 353 Abatement
Target Sector (Office, Retail, Residential, Hotel)	Corporate headquarters, telecommunications, computer operations, insurance companies or credit card billing/processing centers	Small businesses	Not Applicable
Target Area	State based program	City limits	Urban Development Areas (determined by City)
Form of Incentive (Cash, TIF, Tax Credit, Loan)	Bonds issued and loan given to applicant	Loan	Real Property Tax Abatement
Min/Max Developer Investment	Min: \$10 million to target industries and 500 new jobs	Max: \$500,000	Not Applicable
Min/Max Incentive Value	Max: 5% of gross wages per new job or 10% of project if located in distressed community	Max: 200,000	Max: 75% (10-year period) or 37.5% (15-year period)
Eligibility Requirements	Job creation Positive fiscal impact to State “But For” Test	To spend on fixed assets May <i>not</i> be eligible if credit available through other sources	Area deemed “blighted” Form Urban Redevelopment Corporation (URC) per the Urban Redevelopment Corporation Law
Program Outcomes	Taxable Value/Property Assessment Value Increase: 2012: <b>\$0.47 B</b> 2019: <b>\$0.84 B</b>		Increase: <b>81%</b>
Link to Incentive Program Application/ Overview	<a href="https://tinyurl.com/wr39a69x">https://tinyurl.com/wr39a69x</a> <a href="https://tinyurl.com/rvfzjsdc">https://tinyurl.com/rvfzjsdc</a>	<a href="https://tinyurl.com/ut5chv8m">https://tinyurl.com/ut5chv8m</a> <a href="https://tinyurl.com/app53d7j">https://tinyurl.com/app53d7j</a>	<a href="https://tinyurl.com/3dmpxtjm">https://tinyurl.com/3dmpxtjm</a>
Other Notes	Funding dependent on eligibility criteria (need and impact) for infrastructure and capital expenses	Preferred finance structure: 10% equity, 50% bank, 40% EDC EDC Loan Corporation Funding Source: US EDA	State requires that the City have “Urban Development Corporation

Sources: Kansas City, MO Economic Development Corporation; Willdan, 2021.

<sup>2</sup> Kansas City Economic Development Corporation, *Incentives Overview*

### Best Practices

To create a funding source to catalyze Downtown development, the City imposed a sales tax in 2017 to establish a central city Economic Development Board. The Board immediately issued \$800 million in public bonds for infrastructure improvements and repairs. The City invests in ultra- green complexes, specifically to address environmental concerns regarding development on the river.

Table 13: Kansas City Assets & Attributes

Venue Type	Venue Name
Convention Center	Kansas City Convention Center
Professional Sports (*Outside downtown area)	Arrowhead Stadium (NFL)* Kauffman Stadium (MLB)* Sporting Kansas City (MLS)*
Arts, Culture, & History	Kauffman Center for the Performing Arts Municipal Auditorium Kansas City Repertory Theater Liberty Memorial/National World War I Museum
Entertainment	Power & Light District T-Mobile Center Crown Center (Legoland, Discovery Center and Sea Life Aquarium) Union Station National Collegiate Basketball Hall of Fame

Source: City of Kansas City, MO; RMA, 2021

## Louisville, Kentucky

### Clustering of Venues & Support Services

Downtown Louisville has a concentration of significant attractions situated in a six-block area along Main Street, one block from the Ohio River attractions Louisville Riverwalk and Belle of Louisville riverboat.

The KFC Yum! Center (multi-purpose arena) anchors the 2nd Street end and the Louisville Slugger Museum and Factory and Frazier History Museum anchor the 9th Street end. In between are the Kentucky Science Center and IMAX Theater, Muhammad Ali Center, Kentucky Center for the Performing Arts, and the 1,290-room Galt House Hotel.

Figure 10: Louie Link Map

## IT'S EASY TO CONNECT WITH LOUISVILLE.

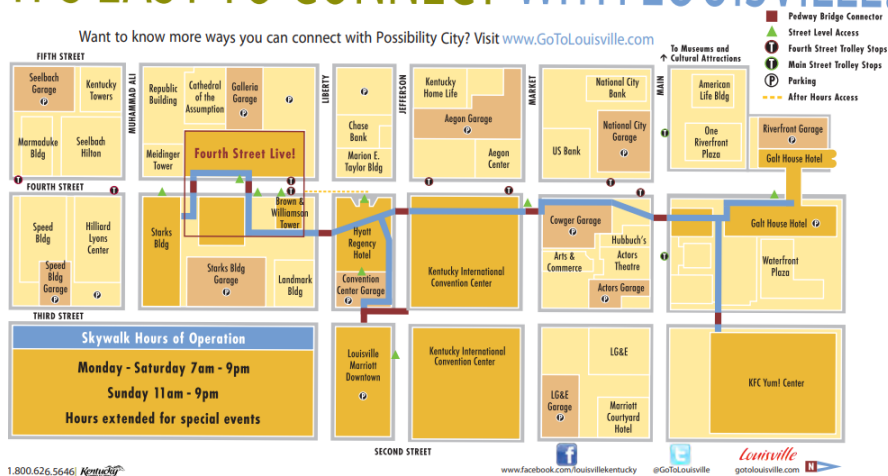


Table 14: Louisville Assets & Attributes

Asset	Attribute
Convention Center	Kentucky International Convention Center
Professional Sports	Louisville Slugger Field Lynn Stadium
Arts, Culture, & History	The Kentucky Center for the Performing Arts Muhammad Ali Center Louisville Slugger Museum Frazier History Museum Kentucky Science Center (KSC)
Entertainment	KFC Yum! Center (multi-purpose arena) Fourth Street Live! KSC IMAX Theater

Source: RMA; Willdan, 2021

The Kentucky International Convention Center is one block south on 4th Street and Fourth Street Live! is three blocks north of Main Street.

The “Louie Link” skywalk spans five blocks along 4<sup>th</sup> Street between the Galt House Hotel with Fourth Street Live!, passing through the convention center and Hyatt Regency Hotel. The Link also extends along arms to the KFC Yum! Center and the Downtown Marriott.

Louisville has a unique streetscape program and a collection of museums and cultural attractions on West Main Street that have transformed the Downtown into a true destination.

**Figure 11: Lynn Stadium**



Source: Downtown Louisville, 2020

### Real Estate Development Activity

Louisville’s downtown has seen explosive development, spurred by the recently constructed \$65 million, 5,300 seat Dr. Mark & Cindy Lynn Stadium that is the centerpiece of a 40-acre \$200 million mixed-use development adjacent to Louisville’s Waterfront Park. The project will ultimately include hotel, office, retail, restaurant, and other commercial uses.

The KFC Yum! Center is a multi-purpose sports arena that opened in 2010 and is part of a \$450 million project that includes a 975-car parking structure and

floodwall. The total square footage of the Center is 721,762 square feet. The KFC Yum! Center is also the official home of the University of Louisville men’s and women’s basketball programs and women’s volleyball program.

Fourth Street Live!, a complex with outdoor performance space, casual restaurants and bars, and eateries is within walking distance of the KFC Yum! Center arena, and several hotels including Regency, Omni, Louisville Marriott Downtown, Embassy Suites Downtown and Hilton Garden Inn Downtown. It is the most visited attraction in the state of Kentucky, drawing over 4.5 million visitors per year. It covers the equivalent of two city square blocks and features many of the leading national and regional retail/entertainment tenants including Hard Rock Café, Jim Beam Urban Stillhouse and others.

**Figure 12: Fourth Street Live! Louisville, KY**



Source: The Cordish Companies; RMA, 2020

## Public Incentives/Investment

The City of Louisville offers a variety of business attraction incentives, loans, grants and other forms of development assistance. The city targets office, retail, residential and hotel development.

Tax Increment Financing (TIF) is a state program that allows developers to apply a portion of newly generated taxes from an area to pay for a project's public infrastructure.

Louisville Metro has created two targeted TIF programs to catalyze Downtown redevelopment:

### Mixed-Use TIF

Louisville's Mixed-Use TIF is directed at projects with capital investment between \$20 million and \$200 million. The program's developer incentives are administered through rebates to the following: state corporate income tax, state sales tax, and state withholding tax increments.

Projects in a Mixed-Use TIF must have at least two qualified uses (retail, residential, office, restaurant, or hospitality), each of which comprises at least 20% of the total finished square footage or capital investment, or three qualified uses, one of which comprises at least 20%, and the other two, when combined, also comprise at least 20% of the total finished square footage or capital investment.

Figure 13: 4<sup>th</sup> Street Live! Louisville, KY



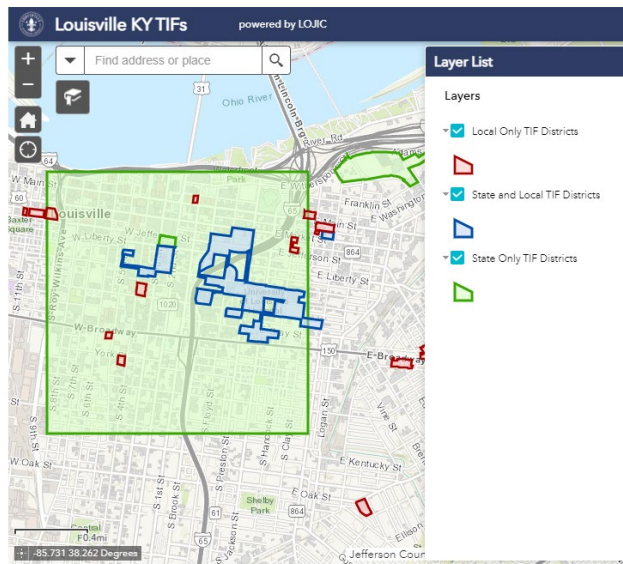
Source: Cordish Company

### Signature TIF

Louisville's Signature TIF requires a larger minimum capital investment of \$200 million and offers a rebate of a portion of some or all the following taxes: state and local property tax, state sales tax, state withholding tax, and local occupational tax increments.

No more than 20% of the capital investment or square footage shall be devoted to assets that will be utilized for the retail sale of tangible personal property. Certain additional costs may be recoverable under this program that are not eligible under the other TIF programs.

Figure 14: Louisville TIF Districts, 2021



Source: <https://louisvilleky.gov/government/louisville-forward/tax-based-incentivesWilldan, 2021>

These programs have been successful in attracting new real estate investment and development to Louisville. According to the Louisville Metro and the *Lane Report*, the Shelby Campus at the University of Louisville is part of the 230-acre Shelby Hurst Research and Technology Park that earned TIF approval at the end of 2014 and is still continues to expand.

The TIF district is expected to generate hundreds of millions of dollars over the 30-year agreement. It includes both academic and research facilities, and when complete will also contain more than 1.5 million sq ft of office space managed, developed and leased by NTS Development Co., in partnership with the UofL Foundation.

Tenants include BrightSpring Health Services (formerly ResCare Inc.), the nation’s largest provider of both health and human services. BrightSpring Health has been headquartered in Louisville since 1974 and has more than 45,000 employees in 42 states, including 1,900 in Kentucky.

Ground was broken in 2018 on Louisville’s newest TIF area, the Butchertown Stadium District. Fifth Third Bank will lead the syndication of the \$55 million, 11,300-seat professional soccer stadium scheduled to open this year.

The project is centered around the stadium and includes hotels, office space and support retail, entertainment and restaurants.

The Louisville City Football Club secured \$21.7 million in TIF financing at the end of May 2018, which will flow back to the club over the course of the 20-year deal. The TIF was a key component to securing the project’s bank financing. Louisville’s incentive programs are summarized on the following pages.

**Table 15: Louisville, KY Incentives Overview**

Program Structure	Downtown Commercial Loan Fund (DCLF) <sup>3</sup>	Downtown Housing Assistance Fund (DHA) <sup>4</sup>	Tax Increment Financing <sup>5</sup>	Façade Loan
<b>Target Sector (Office, Retail, Residential, Hotel)</b>	Office and retail	Market-rate multi-family residential	Mixed-use development	Commercial properties
<b>Target Area</b>	Downtown (specifically areas deemed high priority for development)	Downtown (specifically areas deemed high priority for development)	Downtown	Commercial corridors
<b>Form of Incentive (Cash, TIF, Tax Credit, Loan)</b>	Loan (below market rates, fees, and flexible payment terms)	Revolving Loan (below market rates, fees, and flexible payment terms)	Performance-based TIF (100% taxes paid in; developer submits for increment rebated back)	Loan (fixed rate of 3% over 10 years)
<b>Min/Max Developer Investment</b>	N/A	N/A	Mixed-Use TIF: Min. \$20 million capital investment and Max. \$200 million Signature TIF: Min. \$200 million capital investment	N/A
<b>Min/Max Incentive Value</b>	25% of overall project cost Loan-to-value must not exceed 100% of secured loan collateral	25% of overall project cost Loan-to-value must not exceed 100% of secured loan collateral	Current example: \$7.64 million incentive (\$80 million project defers 80% of annual property tax, calculated using \$65 million construction costs) <sup>6</sup>	
<b>Eligibility Requirements</b>	Full and adequate personal guarantees Secondary financing to complement primary	Full and adequate personal guarantees	TIFs have a “but for” requirement under KY law Meets 2 of 7 conditions of blight	Exterior property (window/doors,

<sup>3</sup> Louisville Downtown Partnership, *Downtown Commercial Loan Fund*.

<sup>4</sup> Louisville Downtown Partnership, *Downtown Housing Assistance Fund*.

<sup>5</sup> City of Louisville, *Tax Based Incentives, Local Loan Programs, Property Redevelopment Incentives*.

<sup>6</sup> Vanderhoff, M. (202, Nov. 5). Company Seeks Tax Incentive for \$80 Million Development in Downtown Louisville. *WLKY*.

Program Structure	Downtown Commercial Loan Fund (DCLF) <sup>3</sup>	Downtown Housing Assistance Fund (DHA) <sup>4</sup>	Tax Increment Financing <sup>5</sup>	Façade Loan
	Focus: Historic, infill, mixed-use w/ retail, new jobs, sustainable elements, local investors/developers	Secondary financing to complement primary  Focus: high density, mixed-use /w retail, historic, sustainable elements, replaces surface parking lot, infill.	Certain amount of qualified use square ft	storefronts, masonry, siding, painting, carpentry, signage, landscaping)
Program Outcomes	Taxable Value/Property Assessment Value Increase: 2012: <b>\$1.65 B</b> 2019: <b>\$2.18 B</b> Increase: <b>32%</b>			
Link to Incentive Program Application/ Overview	<a href="https://louisvilledowntown.org/assets/commercialloan2015.pdf">https://louisvilledowntown.org/assets/commercialloan2015.pdf</a>	<a href="https://louisvilledowntown.org/assets/housingasst2015.pdf">https://louisvilledowntown.org/assets/housingasst2015.pdf</a>	<a href="https://louisvilleky.gov/sites/default/files/louisville-forward/ec-dev-incentives-primer-revised-october-2019.pdf">https://louisvilleky.gov/sites/default/files/louisville-forward/ec-dev-incentives-primer-revised-october-2019.pdf</a>	<a href="https://louisvilleky.gov/government/louisville-forward/local-loan-programs">https://louisvilleky.gov/government/louisville-forward/local-loan-programs</a>
Other Notes	Ongoing due diligence, annual reporting  Administered through Louisville Downtown Partnerships (business improvement district)	\$6.8 million fund  Enhanced by New Market Tax Credits and Historic Tax Credits  Ongoing due diligence, annual reporting  Administered through Louisville Downtown Partnerships (business improvement district)	4 categories of TIF with varied requirements (link above)	N/A

Sources: City of Louisville, KY Department of Economic Development, *Louisville Forward*; Downtown Louisville Partnership, Willdan, 2021.

## Best Practices

Downtown Louisville's revitalization success is rooted in strong strategic partnerships across all sectors. Louisville Forward has purposefully integrated business attraction and retention strategies with community development link overarching goals to improve real estate, workforce skills training and the city's quality of life.

Since its creation in 2014, Louisville Forward has facilitated development projects resulting in more than 28,000 new jobs and \$7 billion in investment. More than \$17 billion in projects in total were announced, constructed or underway in Louisville since 2014 through a community wide program.

The Louisville Downtown Development Corporation (LDDC) and the Louisville Downtown Management District (LDMD) are responsible for downtown planning, facilitating development, and administering a commercial loan fund and retail grant program.

The LDMD also promotes downtown and manages a 63-block Business Improvement District (BID). The Louisville Downtown Partnership works in conjunction with Louisville Forward to provide clean and safe services, economic development, and fact-driven data resources for Downtown property ratepayers, stakeholders, and potential investors.

Move Louisville, a multi-modal transportation plan, is an initiative that was part of the master plan, Global Louisville Action Plan and the Vision Russell, part of a massive redevelopment of the historic neighborhood west of Ninth Street, includes a sustainability component. Complete streets and street scaping are a big focus of this plan.

In addition to LDDC and LDMD, the Waterfront Development Corporation (WDC) is responsible for planning, construction, and maintenance in the City's 85-acre Louisville Waterfront Park on the Ohio River. WDC also manages the Belle of Louisville riverboat for the Louisville Metro government and has design review authority in the riverfront area.

### Louisville Downtown Revitalization Team

In February 2021, Mayor Greg Fischer announced the creation of the Downtown Revitalization Team<sup>7</sup> during his annual State of the City address. Led by a strategic partnership between Louisville Forward (economic development) and the Downtown Louisville Partnership, the Downtown Revitalization Team was formed to determine new ways to bring people and businesses back downtown following declines in business heightened by the Covid-19 pandemic. The team will focus on short-term projects that will help revitalize downtown. A draft action plan is expected by May 2021, including actions that could be taken immediately, that will guide actions through 2021. Early items

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<sup>7</sup> <https://louisvilleky.gov/downtown-revitalization-team/document/downtown-revitalization-team-signed-charter>

discussed included clean and green efforts, safety, public infrastructure improvements, and homeless resources.

### **Downtown Revitalization Team Committees**

The Downtown Revitalization Team is an open committee; it currently includes residents and representatives from the business community, tourism, government agencies and other organizations with downtown or near-downtown operations. Subcommittees include:

- Tourism, Convention Center, Parks, Hotels & Museums
- Marketing & Communications
- Events: Art, Music & Sports
- Commercial Occupiers (Office Tenants & Commercial Businesses)
- Residential Occupiers
- Small Businesses

In addition, a Diversity, Equity & Inclusion Committee, with its members comprised of representatives of all other Committees, will work to ensure DE&I is embedded in the work of all other Committees.

### **Downtown Revitalization Team Charter**

**Executive Summary:** Downtown Louisville is in a state of decline with the Covid-19 pandemic forcing mass remote working and significant reductions in travel and tourism. Small businesses have been closed with the significantly reduced daytime population, and some are facing permanent closure. Combined with racial justice demonstrations through the summer and an increase in

homelessness, these near-term challenges need to be addressed to revitalize downtown as vaccines are being administered to the population. An action plan needs to be developed so that downtown is ready to return to a place of gathering, commerce, and tourism space when Covid-19 cases steadily decline.

**Problem Statement:** In addition to business closures and commercial & retail vacancies due to Covid-19, downtown faces real and perceived issues of safety and unclean conditions, as well as not being welcoming to our entire community, particularly African Americans. Actions must be taken to address graffiti, litter, unwanted street behavior, and accessibility to encourage and position downtown for an increased number of residents, workers and visitors as the pandemic subsides.

**Goal Statement:** To create and execute an action plan to revitalize Downtown Louisville. Phase one will address the issues in the Problem Statement to be complete by 5/1/21. Subsequent phases to be defined including ongoing and new efforts to improve the state of downtown.

This initiative is representative of a functional political and investment climate, further leveraging the benefits of building successful strategic partnerships to foster Downtown development.

## Tampa, Florida

### Clustering of Venues and Support Services

Water Street Tampa is a new downtown neighborhood district which started in 2016. This forward-thinking urban neighborhood will include 9 million square feet of commercial, residential, hospitality, cultural, entertainment, education, and retail uses. The total private investment in this project is projected to be \$3 Billion.

**Table 16: Downtown Tampa, FL Assets & Attributes**

Venue Type	Venue Name
Convention Center	Tampa Convention Center
Professional Sports	Tampa Bay Buccaneers Tampa Bay Rays
Arts, Culture, & History	Straz Center Ybor City Tampa Bay History Center Tampa Museum of Art Riverwalk Historic Trail
Entertainment	TECO Streetcar Riverwalk Channelside Florida Aquarium

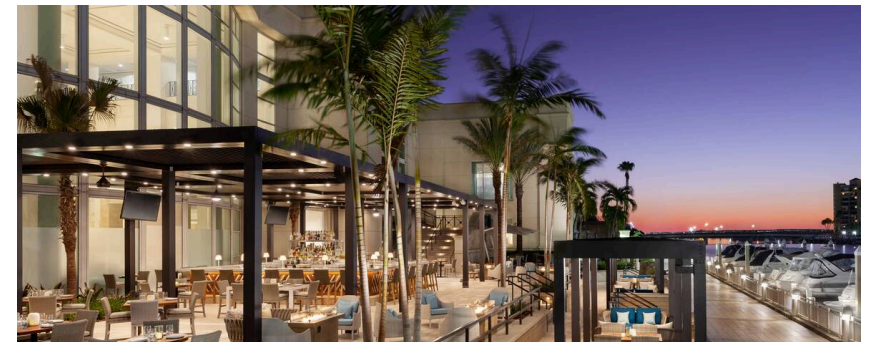
Source: City of Tampa, FL; RMA, 2021

This catalyst development’s goal is to provide an innovative centralized district cooling facility that will serve all buildings. This will enhance sustainability efforts by reducing the amount of electricity and water used in the district. On thirteen (13) acres, developers are building parks, public spaces, and green roofs.

Developers plan to do this by adding many shaded spaces with mature trees and greenery, quality air monitoring, installing light color pavers and adding water refilling stations around the district.

Water Street Tampa has several projects which will continue to provide additional density to the area, while clustering services within the district. The new JW Marriott Tampa Water Street encompasses 519 hotel rooms across 26 floors with four new restaurants, a full-service spa, 100,000 square feet of new ballrooms and meeting space.

**Figure 15: JW Marriott Water Street Tampa**



Source: Downtown Tampa, 2020

The Tampa EDITION will be the city's first five-star hotel, featuring 172 hotel rooms and 37 for-sale, hotel-branded residences on floors 10 through 27. The Tampa EDITION Hotel & Residences construction completion is on schedule for the end of 2021.

**Figure 16: Tampa EDITION**



**Source: Downtown Tampa; RMA, 2020**

Tampa boasts the Florida Aquarium located along its waterfront that also features the American Victory Ship & Museum, the Port of Tampa Cruise Terminal 2, and Channelside Bay Plaza shopping mall.

Large-screen theaters in Tampa, West Palm Beach, Cincinnati, Kansas City, and Louisville are parts of downtown museums and science centers.

In Tampa, the TECO Line Streetcar is a 2.7-mile-long fixed guideway transit system created as a joint project between the City of Tampa and HART that connects downtown Tampa, with the Channel Side District and Ybor City

Historic District, and nine stops in between. Daily operations run 7 am to 11 pm weekdays, with operations extending to 2 am on Friday and Saturday nights, accommodating the significant nightclub/bar presence in Ybor City. Sunday operations commence at 8:30 am. Ridership is currently free.

Tampa has invested significant capital in infrastructure improvements to incorporate complete streets in their downtowns. Completed projects include:

- Palm Avenue, from Nebraska Avenue to 22nd Street.
- Bayshore Boulevard, from Platt Street to Rome Avenue.
- Swann Avenue, from Melville Avenue to Bayshore Boulevard.
- MacDill Avenue, from Kennedy Boulevard to Spruce Street.

### **Real Estate Developments**

Downtown Tampa is experiencing a development boom with more than \$7.0 billion in active investment underway including Water Street District, The Heights, Tampa Riverwalk and Green Wise Market, scheduled to open in spring 2021. Following is an overview of these catalytic projects.

#### **Water Street District**

The \$3 billion mixed-use Water Street District is the catalyst for Downtown Tampa and continues to spur new development. Formed in 2016, Water Street is a 50-acre urban downtown neighborhood. Nine million square feet of commercial, residential, hospitality, cultural, entertainment, education and retail uses are planned.

Perhaps the most interesting design feature of the district is a centralized cooling facility which will serve all buildings, enhance sustainability efforts by reducing the amount of electricity and water used in the district.

Parks, public spaces and green roofs compliment the district, whose goal is to create a more walkable downtown, designed to keep people cool and comfortable by adding many shaded spaces with mature trees and greenery, quality air monitoring, installing light color pavers and adding water refilling stations around the district.

**Figure 17: Downtown Tampa Construction**



**Source: Tampa Business Journal Crane Watch, 2020**

### **The Heights**

Encompassing more than 40 acres with 2.5 million square feet of total building area, The Heights is one of the most significant mixed-use urban redevelopment projects on the West Coast of Florida. A 14-block community located along the Hillsborough River, just north of downtown Tampa, this neighborhood will include a wide variety of public spaces including mid-block courtyards, boulevards, pocket parks, urban plazas and a ¼ mile extension of Tampa’s Riverwalk. The Heights will include 200,000 square feet of retail space, 300,000 square feet of office space, two hotels and over 1,500 dwelling units.

**Downtown Jacksonville Market Feasibility Study**

The Water Street and Heights developments currently underway will provide an additional \$4 billion in investment. Tampa has several mixed-use residential projects coming online in 2021, including Heron, a dual-tower residential building which includes a gateway to the Tampa Riverwalk and Green Wise Market, scheduled to open in spring 2021. Another is a 23-story residential apartment tower with 388 new units delivering in late 2021, and 497 rental units north of the Tampa Edition, a new hotel in downtown Tampa.

### **Public Incentives/Investment**

The City has invested more than \$100 million in infrastructure improvements, specifically for storm water management, complete streets, and transit projects, to spur investment in downtown Tampa. The outdated grid system of land has been updated and projects are in place for transmission line relocations to streamline development.

City-owned properties have been offered for redevelopment, with Community Redevelopment Agency tax increment funds pledged to offset developer costs.

The City of Tampa participates in a variety of financial incentive programs including Federal, State, County and City initiatives, to assist businesses and encourage private investment and development.

Public-private investment in downtown Tampa business and development has generated \$3.7 billion in incremental assessed value of land, more than 12% of total assessed value citywide.

**Table 17: Tampa, FL Incentives Program Overview**

Program Structure	Channel District Neighborhood Incentives Program	Economic Development Ad Valorem Tax Exemption Program <sup>8</sup>	Business Façade Grant Program
Target Sector (Office, Retail, Residential, Hotel)	Restaurant, Retail and Retail Services	Classified as Tampa Target Industry or a High Value Business	Retail or targeted business
Target Area	Channel District CRA	Brownfields, Enterprise Zones and CRA's	CRAs of Drew Park, East Tampa & Ybor City 1 and 2 (CRA may further restrict)
Form of Incentive (Cash, TIF, Tax Credit, Loan)	City of Tampa Fee Reimbursement	Tax Exemption (real property or tangible assets)	Matching grant
Min/Max Developer Investment		Min: 10 new full-time jobs	Match amount spent first
Min/Max Incentive Value	\$10,000	Max: 50% of taxes Bonus: 75% total (additional 25%) for target areas Term Max: 10 years Program Max: \$2 million (across all applications per year)	50% of the project costs, up to \$50,000
Eligibility Requirements	Fees spent on building permit, water meters, water connection, inspections New business or expansion of existing business Located in Channel District	New business or expansion of existing Job creation Target area and industries	Exterior renovation, rehab, etc. landscaping improvements
Program Outcomes	Taxable Value/Property Assessment Value Increase: 2012: <b>\$1.51 B</b> 2019: <b>\$2.95 B</b> Increase: <b>95%</b>		

<sup>8</sup> The City of Tampa utilizes the terminology of “max” tax exemption and a “bonus” exemption.

Program Structure	Channel District Neighborhood Incentives Program	Economic Development Ad Valorem Tax Exemption Program <sup>8</sup>	Business Façade Grant Program
Link to Incentive Program Application/Overview	<a href="file:///C:/Users/mtierney/Downloads/neighborhood_amenity_incentive_program_application.pdf">file:///C:/Users/mtierney/Downloads/neighborhood_amenity_incentive_program_application.pdf</a>	<a href="https://www.tampa.gov/document/click-here-complete-ad-valorem-application-11106">https://www.tampa.gov/document/click-here-complete-ad-valorem-application-11106</a>	<a href="https://www.tampa.gov/CRAs/facade-improvement">https://www.tampa.gov/CRAs/facade-improvement</a>
Other Notes	Paid upon business opening	<p>Amount based on assessed value of <i>improvements</i></p> <p>Percent exempt, based on target area or not</p> <p>5-, 7-, or 10-year term based on 3 tiers of job creation</p> <p>County offers similar program</p> <p>Expires March 2021, can be renewed</p>	Monthly payments upon completed work

Source: City of Tampa Planning and Development Department, Development and Growth Division; Willdan; 2020.

## Best Practices

The City of Tampa's long-term \$100 million investment in Downtown is strategically focused on realizing public realm, sustainability, and transportation infrastructure improvements to catalyze downtown development and investment activity. According to the Tampa Downtown Vision & Action Program (2005)<sup>9</sup>, the strategic investment recommendations are centered around defining the neighborhoods (Districts) where the development patterns were already occurring, to improve linkages and attractions associated with convention/conference visitation, and improve the overall attractiveness of downtown Tampa as a visitor destination.

Figure 18: Tampa Downtown Vision Plan Anchors & Nodes, 2005



Source: Tampa Downtown Vision and Action Program; Tampa Downtown Partnership; Willdan, 2021

<sup>9</sup> <https://www.tampa.gov/document/downtown-vision-action-plan-32706>

## West Palm Beach, Florida

### Clustering of Venues & Support Services

Downtown West Palm Beach is noteworthy because of the number and diversity of restaurants and shops in this small city, a direct result of a campaign to revitalize Clematis Street which has been met with national recognition. The clustering of shops and restaurants adds to the character of the Downtown, bringing people together to celebrate the area.

The Brightline West Palm Beach Station is in the heart of downtown. It is a modern station with illuminated V-shaped columns, echoing the designs of Miami and Ft Lauderdale stations. This higher-speed rail system connects major cities in South and Central Florida with future connections planned.

Downtown West Palm Beach is anchored by Rosemary Square (formerly CityPlace Live Entertainment), a 600,000 square foot New Urbanist mixed-use lifestyle center, Meyer Amphitheater on the waterfront, and the Flagler Park farmers' market.

Rosemary Square offers more than 60 restaurants and retail stores, rental apartments, condos, and offices. Related Companies intends to invest nearly \$550 million for the construction of new restaurants, a new mixed-use luxury residential tower, and a new hotel, as well as an office tower containing 300,000 sq. ft. of space. Some asphalt roads were replaced with gray and white pavers and converted into pedestrian walking areas.[17]

West Palm Beach offers a trolley that is currently suspended due to the Covid pandemic. When operational, the service operates free of charge 7 am to 9 pm Sunday through Wednesday and until 11 pm the balance of the week. The

system operates on a 10-minute schedule with main stops at CityPlace and along five blocks of Clematis Street between Rosemary Avenue and Flagler Street that fronts the Intercostal Waterway.

West Palm Beach is currently embarking on a Complete Street project to create extensive improvements along 1.25 miles of Banyan Boulevard. The Phase 1 goals are to significantly improve the user-experience for motorists, pedestrians and cyclists through the addition of designated lanes for cyclists and enhanced crosswalks and walkways. Specific elements include:

- A four-lane section divided urban roadway with sidewalks
- Enhanced landscaping from Australian Avenue to Dixie Highway
- A two-lane section with sharrows (shared lane markings) for cyclists and motorists
- Landscaping from Dixie Highway to Flagler Drive

Bicycle lanes

West Palm Beach recently celebrated the 25<sup>th</sup> anniversary of GreenMarket, a 90-vendor public market and attraction located in Flagler Park at the terminus of Clematis Street. The market is currently closed due to the Covid pandemic and scheduled to reopen in October 2021. Recent accolades include a polled *#1 Best Public Market* designation by USA Today.

The large-screen IMAX is incorporated into a 14-screen AMC theater complex located within a dense cluster of restaurants and adjacent to Rosemary Square.

Figure 19: Rosemary Square Redevelopment Concept, 2019



Source: The Related Cos., 2019

Depicted in **Error! Reference source not found.** on the next page, the Clematis Streetscape project in West Palm Beach is a revitalization plan that seeks to improve a historic streetscape by widening sidewalks, planting shade trees, and narrowing traffic lanes to induce traffic calming. The improvements better connect the community by creating an easier to walk, healthier and more enjoyable downtown core. The design won the People’s Choice Award at the 2019 Safe Streets Summit.

Figure 20: Conceptual Rendering Downtown West Palm Beach



Source: RMA, 2019

**Table 18: West Palm Assets & Attributes**

Assets	Attributes
<b>Convention Center</b>	Palm Beach County Convention Center 100,000 sq. ft. contiguous space ground level
<b>Professional Sports</b>	FITTEAM Ballpark of the Palm Beaches (MLB Spring Training)
<b>Arts, Culture, &amp; History</b>	Kravits Center for the of Performing Arts Norton Museum of Art Johnson - Palm Beach County History Museum
<b>Entertainment</b>	Rosemary Square Harriet Himmel Theater South Florida Science Center & Aquarium The Palm Beach Zoo

Source: RMA; Willdan, 2021

### Real Estate Development Activity

The Flagler Banyan Square is a 3.5-acre development that includes The Oversea, a 251-unit luxury apartment building, The Ben, West Palm (luxury 208-room hotel with a rooftop bar/lounge, on-site restaurant, and 8,000+ square feet of meeting space). Other components include “The Square” (public park), art installations, 20,000 square feet of street-facing retail, commercial office space, and Elisabetta’s Ristorante, a 10,000-sq. ft. destination eatery located on the waterfront.

Another active project includes West Palm Point – a proposed 23-story office tower on 2.4 acres containing 352,000 square feet of leasable office space and 25,000 square feet of ground-floor retail. An adjacent 10-story parking garage with 1,300 spaces is planned to connect to with the office building on the ground level and ninth floor via a skybridge. The garage plan also includes a roof top park with a reflecting pool and landscaping.

In 2019, the West Palm Beach Community Redevelopment Agency solicited proposals for development of the city-owned Anchor Site, an assemblage prominently located in the Northwood Village. Desired improvements, outlined in the competitive process, included approximately 350 apartments, 48,000 sq. ft. of commercial retail/office, a 10,000 sq. ft. grocery, and a 10,000 sq. ft. public plaza incorporating art and/or water features. Immocorp Ventures was the selected respondent and entered into a Property Development and Lease Agreement that was approved in September 2020

## Public Incentives/Investment

West Palm Beach's Community Redevelopment Areas (CRAs) created incentives focused on recruitment, leasehold improvements such as exterior and interiors of buildings, rental assistance, and grand opening incentives. Special project incentives include infrastructure and façade related funding. West Palm Beach's Downtown/City Center CRA District offers the following specific incentives.

### Strategic Investment Program (SIP)

Commercial and mixed-use projects up to \$5 million may be eligible for development assistance (calculated by the incremental tax revenue).

### Housing Investment Program

The program targets multi-family development projects investing up to \$5 million in the Northwood/Pleasant City CRA and Downtown/City Center CRA. The incentive is provided as a reimbursable grant, paid upon completion (CRA grant policy). The preferred equity investment is a minimum of 15% of total project costs.

### Façade and Exterior Improvement Program

This grant provides 80% of a façade project for a grant up to \$7,500; or in the Historic Northwest, provides 80% of project costs for a grant up to \$75,000. Typical improvements include paint, stucco, awnings, lighting, landscaping, parking lot improvements and architectural enhancements.

### Relocation and Development Assistance Incentive Program

The CRA may assist with relocation and development of certain uses to allow for a more desirable or upgraded use. This program provides the incentives

necessary for redevelopment, including tenant relocation, acquisition, build-out and rehabilitation or renovation of existing properties.

### Real Estate Development Accelerator Program (REDA)

This program is designed to offer incentives for projects with a minimum of \$5 million in investment for land acquisition, infrastructure improvements, Tax Increment Financing or any other type of incentive for large-scale projects.

### Strategic Investment Streetscape Program (SISP)

For commercial or mixed-use projects up to \$5 million, developers may be eligible for up to 50% of the cost of streetscape improvements.

**Table 19: West Palm Beach, FL Incentives Program Overview**

Program Structure <sup>10</sup>	Strategic Investment Program (SIP)	Real Estate Development Accelerator (REDA)	Housing Investment Program (HIP)	Façade Exterior Site Program	Merchant Assistance Program <sup>11</sup>
<b>Target Sector (Office, Retail, Residential, Hotel)</b>	Mixed-use development	Large-scale developments	Multi-family development	Retail, Restaurant	Restaurant and Retail
<b>Target Area</b>	Northwood/Pleasant City CRA, Downtown/City Center CRA	Northwood/Pleasant City CRA, Downtown/City Center CRA	Northwood/Pleasant City CRA, Downtown/City Center CRA	Northwood/Pleasant City CRA; Historic Northwest, Downtown/City Center CRA	Historic Northwest
<b>Form of Incentive (Cash, TIF, Tax Credit, Loan)</b>	Reimbursable Grant, paid upon completion (CRA grant policy)	Land mark-down, infrastructure improvement (by City), TIF, or other	Reimbursable Grant, paid upon completion (CRA grant policy)	Reimbursable Grant, paid upon completion (CRA grant policy)	Reimbursable Grant, paid upon completion (CRA grant policy)
<b>Min/Max Developer Investment</b>	Max: \$5 million Preferred: leverage ratio of private investment to incentive dollars of at least 10:1 Preferred equity investment of 15%	Min: \$5 million	Min: \$5 million Preferred equity investment 15%		n/a

<sup>10</sup> West Palm Beach is comprised of three CRA's with some variance in the selection of programs offered in each: Downtown/City Center CRA, Historic Northwest CRA, Northwood Pleasant City CRA, *Incentives*.

<sup>11</sup> The chart reflects data and information from the official West Palm Beach website; however, an article from October 2019 notes changes in the program incentive that are not reflected on the official CRA website. The changes included eliminating the three-year minimum and increasing the maximum grant to \$25,000. *Source*

Program Structure <sup>10</sup>	Strategic Investment Program (SIP)	Real Estate Development Accelerator (REDA)	Housing Investment Program (HIP)	Façade Exterior Site Program	Merchant Assistance Program <sup>11</sup>
<b>Min/Max Incentive Value</b>	\$50,000 max – calculated using methodology similar to tax increment financing	Negotiated on individual bases based on gap in pro-forma	Max: \$5,000 / unit, plus additional \$5,000 per affordable unit (not to exceed 25% of total units)  If on targeted streets, eligible for additional 5% of construction/land	Northwood/Pleasant City Max: 80% of project cost up to \$10,000 / up to \$20,000 in further refined central area (Broadway)  Historic NW Max: 90% of project up to \$7,500	\$15,000
<b>Eligibility Requirements</b>	Positive impact to street life and exemplifies New Urbanism  Interior/Exterior improvements to property/structure	Clear need/justification	For sale/for rent residential projects  Positive impact to street life and exemplifies New Urbanism	Exterior façade improvements (signage, awnings, lighting, painting)  Complement area improvements	Located in area for 3 years or more  Marketing, training, interior improvements  Justify distress  Continued use of materials/training
<b>Program Outcomes</b>	Restaurant renovations				
<b>Link to Incentive Program Application/Overview</b>	<a href="#"><u>Incentive Link</u></a>	<a href="#"><u>Incentive Link</u></a>	<a href="#"><u>Incentive Link</u></a>	<a href="#"><u>Incentive Link</u></a>	<a href="#"><u>Incentive Link</u></a>
<b>Other Notes</b>	Ranked by ratio of private investment to incentive dollar, equity investment, tax increment revenues over 10/15 years, and construction start	Three phases across 5-year period  Very flexible	Ranked by up to 25% affordable housing, equity investment, tax increment revenues over 10/15 years, construction start	Sale of property within 24 hours negates incentive  Successive or multiple applications that improve one full block or large-scale development, eligible for more	

Source: West Palm Beach, FL Community Redevelopment Agency; RMA; Willdan; 2020.

**Figure 21: West Palm Beach Downtown**



**Source: West Palm Beach CRA Annual Report RMA, 2020**

The City prioritizes capital resources to create interest in the downtown core. Focus includes improved transportation modes and access, street scaping, and efforts that impact entire lengths of streets. Other creative placemaking efforts include the development of smaller “parklets” as gathering points, hosting outdoor festivals, and organizing events that attract visitors that support retailers, restaurateurs, hoteliers and other participants in the tourism economy.

These efforts are supported through an array of layered development incentives that include fiscal, tax, and non-financial means to enhance economic development.

## **Best Practices**

West Palm Beach has demonstrated the power of leverage through targeting and layering fiscal, tax and non-financial public incentives tools to catalyze private investment and development activity in the City center. West Palm Beach strategically focused Downtown redevelopment deal structuring to link private investment with concurrent public investment in infrastructure improvements, streetscaping, and transportation – all further leveraged by leading with a pro-business, pro-development culture in public service. The outcomes of West Palm’s economic development strategy demonstrate that incentives alone are not the sole driver of Downtown revitalization.

**APPENDIX D:**

**Property Disposition Policy**

**EXHIBIT 1 to 2022-07-04**  
**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, and amended by the DIA Board on July 20, 2022 to conform to Ordinance 2022-372-E enacted on June 28, 2022 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 as well as Sec. 122.434, Ordinance Code, as provided below:

1. Statutory notice requirement applicable to all dispositions to any private person or entity of City-owned property held for community redevelopment within a community redevelopment area:
  - Public notice of intended disposition must be published in a newspaper of general circulation at least 30 days prior to execution of any contract or as otherwise required by applicable state law
  - Notice must invite proposals by interested parties within 30 days after date of publication
  - Notice must identify parcel or parcels
  - Notice must advise that such further information as is available can be obtained at a designated office
  - If less than fair value, shall require approval of City Council

2. Ordinance requirements:

City Council approval is required if:

- The sales price is equal to or exceeds the fair market value as determined by an appraiser selected by DIA ("appraised value") of the property and the sales price is greater than \$750,000.

City Council approval is also required if:

- The sales price is less than the appraised value and any of the following is true:
  - the appraised value exceeds \$250,000; or
  - the Return on Investment to the City is less than 1:1 (per the Council Auditor); or
  - the "sales price," pursuant to Sec. 163.380(2), Fla. Stat. is less than the fair value.

No City Council Approval Required if:

- The sales price is equal to or greater than the appraised value and the sales price is not greater than \$750,000.
- The sales price is less than the appraised value, but the following are true:
  - the appraised value does not exceed \$250,000
  - the Return on Investment to the City is equal to or greater than 1:1; and
  - the "sales price," pursuant to Sec. 163.380(2), Fla. Stat. is equal to or greater than the fair value.
- If the Property Appraiser's Office market value is equal to or less than \$25,000, irrespective of the sales price.

**A. Offers for property with a market value equal to or less than \$25,000**

For proposals to purchase or lease property with a Property Appraiser's Office 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 reasonably 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.

**B. Offers for properties with market value greater than \$25,000**

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, policies, 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 Retail Enhancement and Property Disposition Committee meeting or regularly scheduled Board meeting

## 3. Process to be followed by Board of DIA

If based on evaluation, the Retail Enhancement and Property Disposition 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 Retail Enhancement and Property Disposition 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 with a Property Appraiser's Office 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. An Informal Disposition Process may also be utilized in other circumstances deemed appropriate by the Board, but such process shall be initiated by Board action and City Council approval of the disposition may be required.

**EXHIBIT 1 to 2022-07-03  
Notice of Disposition Policy  
Downtown Investment Authority (DIA)  
Community Redevelopment Areas**

This Notice of Disposition Policy, as approved and established by the DIA Board on September 18, 2019, and amended by the DIA Board on July 20, 2022 to conform to Ordinance 2022-372-E enacted on June 28, 2022 shall be used by the Downtown Investment Authority in selecting the disposition process to be followed and the applicable procedures for each type of process regarding the purchase or lease of City-owned property.

### 1. Statutory notice requirement applicable to all dispositions to any private person or entity of City-owned property held for community redevelopment within a community redevelopment area:

- Public notice of intended disposition must be published in a newspaper of general circulation at least 30 days prior to execution of any contract or as otherwise required by applicable state law
- Notice must invite proposals by interested parties within 30 days after date of publication
- Notice must identify parcel or parcels
- Notice must advise that such further information as is available can be obtained at a designated office
- If less than fair value, shall require approval of City Council

### 2. Ordinance requirements:

City Council approval is required if:

- The sales price is equal to or exceeds the fair market value as determined by an appraiser selected by DIA ("appraised value") of the property and the sales price is greater than \$750,000.

City Council approval is also required if:

The sales price is less than the appraised value and any of the following is true:

- the appraised value exceeds \$250,000; or
- the Return on Investment to the City is less than 1:1 (per the Council Auditor); or
- the "sales price," pursuant to Sec. 163.380(2), Fla. Stat. is less than the fair value.

No City Council Approval Required if:

- The sales price is equal to or greater than the appraised value and the sales price is not greater than \$750,000.
- The sales price is less than the appraised value, but the following are true:
- the appraised value does not exceed \$250,000

- the Return on Investment to the City is equal to or greater than 1:1; and
- the “sales price,” pursuant to Sec. 163.380(2), Fla. Stat. is equal to or greater than the fair value.
- If the Property Appraiser’s Office market value is equal to or less than \$25,000, irrespective of the sales price.

**3. Formal, Informal, and Negotiated Disposition processes:** The DIA Board may utilize a Formal, Informal or Negotiated Disposition process, as outlined below, each of which is consistent with statutory requirements above, but which may be appropriate in differing circumstances.

Applicability:

a. **Informal:** In general, an Informal Disposition Process shall be followed in cases where the proposed purchase price exceeds fair value and is less than \$25,000 (City Council approval not required).

- The CEO of the Downtown Investment Authority shall be authorized to initiate an Informal Disposition Process for transactions meeting the criteria above, and determined by the CEO to be consistent with the applicable CRA and BID plan and in the best interest of the CRA. The DIA Board shall approve the disposition prior to execution of any contract but Board approval shall not be required prior to initiation of the notice process.
- An Informal Disposition Process may also be utilized in other circumstances deemed appropriate by the Board, but such process shall be initiated by Board action.

b. **Formal:** In general, a Formal Disposition Process will be followed in cases where there are expected to be multiple bidders, where the purchase price is substantially less than fair value, where the use of the particular property is not narrowly defined in the CRA Plan and consistency with the plan requires more extensive evaluation, or where the DIA was not actively pursuing disposition of the property. The determination of which disposition process to follow in any circumstance shall remain in the discretion of the DIA Board, however the CEO shall recommend to the Board that a Formal Disposition Process shall be followed when staff deems appropriate.

c. **Negotiated:** In general, a Negotiated Disposition process shall be followed in circumstances where staff has negotiated the terms of a disposition with a private party, and has determined that disposition in accordance with the term sheet is consistent with the applicable CRA plan and BID plan and is in the best interest of the CRA. The conceptual term sheet shall be presented to the DIA Board for consideration prior to any publication of the notice of disposition and the proposed disposition shall be issued based on the Board’s intention to accept the term sheet in concept. Final Board approval of the term sheet may follow the close of the disposition process. The DIA Board shall have the discretion to utilize either an Informal or Formal Disposition Process, in lieu of a Negotiated Disposition process, as it may deem appropriate.

## **Informal Disposition Process**

### **Informal Notice of Disposition**

- For proposals to purchase City-owned property with a market value established by the Property Appraiser of \$25,000 or less, 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.
- A Notice of Disposition shall be published in a newspaper of general circulation, or on a website meeting state requirements, identifying the subject parcel, advising that further information can be obtained from the DIA Office or Office of Procurement, as determined by the CEO, and inviting other proposals within 30 days from the date of publication.
- In the event other proposals are received, such proposals shall be evaluated by DIA staff regarding consistency with the CRA and BID plan, the financial and legal ability of the respondents to carry out the proposal, the purchase price and return on investment to the City, and the timeframe for commencement of improvements, if any.

d. At the next regularly scheduled Board meeting following close of the notice period and evaluation of responses by staff, a term sheet regarding the disposition recommended by staff shall be presented to the Board for consideration.

e. An Informal Disposition Process may also be selected by the Board in other circumstances where the purchase price exceeds \$25,000 or is less than fair value. In such case, the process shall be selected by vote of the Board at a regularly scheduled meeting. The Board shall include in its election, any criteria it may wish to include for use of the property or evaluation by staff. The 30-day notice shall be published as above, evaluated by staff, and a recommendation presented to the Board at the next regularly scheduled meeting following close of the notice period and completion of staff evaluation of responses received.

f. When the Informal Disposition process is used, no formal procurement process shall be opened, no scoring committee shall be appointed, and no points shall be assigned to specific criteria. Responses received, if any, shall be reviewed by DIA staff and a recommendation made to the Board to proceed with a particular disposition or reject all responses or enter into a formal disposition process in accordance with the Formal Disposition process.

## **Negotiated Disposition Process**

### **Negotiated Notice of Disposition**

This process shall begin when a term sheet for disposition of City-owned property that has been negotiated by staff is presented to the Board for consideration and the Board votes to proceed with the disposition upon specified terms with a particular purchaser. The Board may then elect to follow an Informal, Formal, or Negotiated process. If a negotiated process is chosen the following shall be applicable:

- A Notice of Disposition shall be published in a newspaper of general circulation or on a website meeting state requirements identifying the subject parcel, advising that further information can be obtained from the DIA Office or Office of Procurement, as determined by the CEO, and inviting other proposals within 30 days from the date of publication.
- The Notice of Disposition shall contain the terms of the term sheet tentatively approved by the Board, and any respondent shall be asked to address, at a minimum, each term of the adopted term sheet which has been determined by the Board to be consistent with the adopted CRA and BID Plan, the financial and legal ability of the respondents to carry out the proposal, the purchase price and return on investment to the City, and the timeframe for commencement of improvements, if any.
- Upon close of the 30 day notice period, responses received, if any, shall be reviewed by staff for completeness and any complete responses shall be forwarded to the members of the Retail Enhancement and Property Disposition Committee for evaluation and consideration in comparison to the tentatively adopted proposal recommended by staff. The Retail Enhancement and Property Disposition Committee shall meet and make a recommendation to the Board as soon as practicable.
- At the next Board meeting following recommendation by the Retail Enhancement and Property Disposition Committee, the Board shall decide whether to proceed with the original disposition, whether to accept a different proposal, whether to reject all offers, or whether to enter into a Formal Disposition process.

## **Formal Disposition Process**

Step 1: DIA Staff Develops the Notice of Disposition

Step 2: DIA Board Approves Notice of Disposition

Step 3: Notice of Disposition Released through procurement

Step 4: Last day to submit Notice of Disposition questions

Step 5: City responses to Notice of Disposition questions

Step 6: Notice of Disposition Responses received

Step 7: Notice of Disposition Responses evaluated

Step 8: Award Meeting

Step 9: Begin negotiations with top selected respondent

**A. Public Notice Solicitation Components.** The Board shall approve the following components of the "Public Notice Soliciting Proposals" for the Property (collectively, the "Solicitation Components"):

1. Background Information;
2. Scope of Proposal;
3. Evaluation Criteria and Scoring Allocation among Criteria including whether a public presentation will be made to the Evaluation committee and how such presentation will be scored; and
4. Length of RFP advertisement (no less than 30 days per Chapter 163, Florida Statutes).

The DIA Chief Executive Officer shall have the authority to make technical amendments to the Solicitation Components after Board approval for the purposes of correcting legal descriptions, clerical errors, adding standard general instructions, and making other non-material changes as may be needed to further clarify the Board's intent (the "Solicitation").

**B. Appointment of Evaluation Committee.** The DIA Chairman shall at a duly noticed Board Meeting appoint a scoring committee, which shall generally include DIA and City staff along with one or more Board members (the "Evaluation Committee"), which committee members shall be tasked with independently reviewing and scoring responses to the Notice of Disposition. Procurement will tabulate the scores and ranks the respondents based on those scores. The Retail Enhancement and Property Disposition Committee after reviewing the scores and ranking, shall make a recommendation to the Board regarding the most responsive bidder/project. If no responsive bidder/project in the committee's determination exists, the committee may recommend to the Board that the Notice of Disposition be revised and re-advertised as needed in the best interest of the DIA and the City.

**C. Public Notice Procedures for Formal Notices of Disposition.** In the absence of unique circumstances, the following procedures for the Formal Notice of Disposition shall generally be followed by the DIA staff in the order provided below:

1. DIA staff develops and recommends to the Board for approval at a scheduled board meeting the Notice of Disposition Components;
2. The Board approves the Notice of Disposition Components subject to any modifications made by the Board, and any additional items pursuant to the Chief Executive Officer's authority, and the Chairman appoints an Evaluation Committee;
3. The DIA staff works with the City's Procurement Division to advertise the Notice of Disposition for such period as determined by Board;
4. The Evaluation Committee shall review and evaluate the responses to the Notice of Disposition based on the evaluation criteria set forth in the Notice of Disposition. The tabulated scores shall be presented to The Retail Enhancement and Property Disposition Committee who shall make a recommendation to the Board. If no responsive bidder/project in the committee's determination exists, the committee may recommend to the Board that the Notice of Disposition be revised and re-advertised as needed in the best interest of the City;

5. The Evaluation Committee's scoring shall be presented to the Retail Enhancement and Property Disposition Committee ("REPDC") for consideration and the REPDC shall make a recommendation to the Board. The recommendation of the REPDC shall be presented to the Board at a scheduled board meeting for the Board's approval;

6. Upon Board approval of the Retail Enhancement and Property Disposition Committee's recommendation, or modification of the same, the Board shall approve and authorize the Chief Executive Officer to commence negotiations with the winning bidder;

7. The Chief Executive Officer shall present to the Board a negotiated term sheet for the Project ("Project Term Sheet") to be approved by the Board subject to any Board modifications; and

8. Once the Project Term Sheet has been approved by the Board, the Office of General Counsel shall draft a contract regarding the same and, where required by City Ordinance Code, seek approval from the Mayor's Budget Review Committee to file legislation to be approved by City Council regarding the same.

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