

RESOLUTION 2024-02-01

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (THE “DIA”) RECOMMENDING AMENDMENTS TO THE REDEVELOPMENT AGREEMENT AMONG THE CITY, DIA, AND MUSEUM OF SCIENCE AND HISTORY, INC. (“MOSH”) DATED MAY 22, 2023, (“RDA) AND RELATED DOCUMENTS, INCLUDING BUT NOT LIMITED TO THE GROUND LEASE, IN ACCORDANCE WITH THE TERM SHEET ATTACHED HERETO AS EXHIBIT A, WITH ALL OTHER TERMS AND CONDITIONS OF THE RDA AND RELATED DOCUMENTS REMAINING UNCHANGED; AUTHORIZING THE CHIEF EXECUTIVE OFFICER OF THE DIA (THE “CEO”) TO FILE LEGISLATION TO ENACT THE MODIFICATIONS TO THE RDA AND RELATED DOCUMENTS; AUTHORIZE THE CEO TO EXECUTE ALL DOCUMENTS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the DIA and City Council approved the RDA, and related documents via DIA Resolutions 2022-01-03 and 2022-09-03 and Ordinance 2023-184-E, respectively; and

WHEREAS, MOSH has been diligently pursuing fundraising as contemplated by the RDA and is making progress on the design of the surrounding City park as contemplated by the associated Cost Disbursement Agreement but has been delayed in the design of the museum building itself and commencement of construction necessitating this amendment; and

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

Section 1. The DIA finds that the recitals set forth above are true and correct and are incorporated herein by this reference.

Section 2. The DIA recommends the amendment of the RDA and related documents to effectuate the modifications set forth in Exhibit A attached hereto.

Section 3. The DIA authorizes the CEO to initiate filing legislation with the City Council to enact the changes incorporated within this Resolution 2024-02-01.

Section 4. The Chief Executive Officer is hereby authorized to execute the contracts and documents and otherwise take all necessary action in connection therewith to effectuate the purposes of this Resolution.

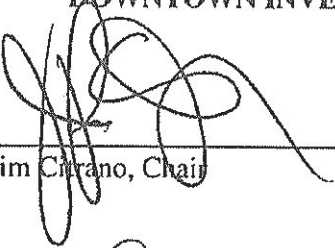
Section 5. This Resolution, 2024-02-01, shall become effective on the date it is signed by the Chair of the DIA Board.

[SIGNATURES ON FOLLOWING PAGE]

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY




Jim Cirano, Chair

2/29/24
Date

VOTE: In Favor: 8 Opposed: 0 Abstained: 0

Exhibit A to Resolution 2024-02 01

Term Sheet for Amended RDA

Developer:	Museum of Science and History ("MOSH").
RDA	The current Redevelopment Agreement dated May 22, 2023, by and between the City, DIA, and the Museum of Science and History of Jacksonville, Inc. the terms of which, except as provided herein, shall remain unchanged in the restated Redevelopment Agreement.
Amended and Restated Redevelopment Agreement	The Amended and Restated Redevelopment Agreement will establish the essential terms of the Lease of the Project on the Museum Parcel, the Joint Use Park Agreement with respect to use and maintenance of the Joint Use Park Parcel, the Developer's rights and responsibilities with respect to design of the Park Project, the Developer's and the City's obligations with respect to construction of infrastructure improvements, site remediation, park improvements, etc., on the Property and other terms relevant to development of the Property. The Amended and Restated Redevelopment Agreement will become effective upon its execution following approval by the City Council. Its terms will govern the period prior to the Effective Date of the Lease as well as the rights and responsibilities of the parties for other portions of the Property throughout the term of the RDA.
Lease Terms:	<p>The DIA on behalf of the City will enter into a Lease of the Project on the Museum Parcel with the Developer.</p> <p>The term of the Lease shall consist of a Construction Term not to exceed Three (3) years commencing on the Effective Date of the Lease (pre-conditions to the effective date of the Lease and commencement of the Construction Term include Completion of Construction Drawings, approval thereof by the DIA, Public Works and Parks, and issuance of Permits necessary to commence construction, and the Lease shall commence upon actual Commencement of Construction) and said Construction Term ending upon Substantial Completion of the Project. Upon Substantial Completion of the Project, the Occupancy Term of Forty (40) years shall commence, which lease will provide one (1) ten-year renewal option provided the Developer remains in compliance with the Redevelopment Agreement and Lease, including the use and maintenance obligations therein. At any time prior to the expiration of the Occupancy Term, whether or not extended by renewal, MOSH may seek an extension of the term, subject to review and approval by the City Council.</p> <p>Annual ground lease rent shall be \$1.00/year.</p> <p>MOSH may obtain, at its expense, leasehold title insurance but the City shall have no obligation to warrant title or remove any title defects.</p> <p>[...]</p>

	<p>MOSH shall have no right to sell or grant naming rights to any portion of the Project visible from public rights of way or pedestrian areas or from the Park Project without the express prior written approval of the City and no grant of naming rights visible from public rights of way or pedestrian areas or from the Park Project shall exceed the lesser of 20 years or the useful life of the improvements funded by the donation. Further, no grant of naming rights internal to the Project and not visible from public rights of way or pedestrian areas or from the Park Project shall exceed the useful life of the improvements funded by the donation or the term of the Lease, whichever is less.</p>
<p>Site Investigation:</p>	<p>The Due Diligence Period has expired.</p>
<p>Construction and Financing of Infrastructure:</p>	<p>[sections a-d remain unchanged]</p> <ul style="list-style-type: none"> e. During the Construction Term and prior to commencement of the Occupancy Term of the Lease, the City shall use reasonable efforts, subject to the extent budget and schedules allow, to construct the Riverwalk contiguous to the Property boundary as is currently permitted within the approved CIP Project Scope f. The Developer will not construct the Park Project, however to the extent budget and schedules allow, the City will use reasonable efforts to construct the Park Project and science themed activity node, or portions thereof to during the Construction Term and prior to commencement of the Occupancy Term of the Lease. g. Any excess funds in the approved CIP project upon completion of the approval of budgets for the foregoing items (a) through (g), shall be used to further extend the Riverwalk beyond and in the vicinity of the Property as is currently permitted within the approved CIP Project Scope.
<p>Fundraising Condition:</p>	<p>MOSH is responsible for securing funds (private donations, grants, etc. other than City contributions) for the construction of the museum facility and associated improvements on the Museum Parcel totaling at a minimum \$40,000,000, with a total projected capital investment of \$85,000,000. MOSH anticipates the principal sources for such funds to be twofold: (i) donations secured by pledge agreements with individuals, business entities, foundations, and the like; and (ii) a grant or grants from the State, Federal Government, or other grant organizations. To qualify as having been secured, a pledge must be binding, though it may be collected over a period of years. MOSH is not prohibited from procuring institutional financing for facility construction so long as neither the Museum Parcel, the Lease nor the museum facility and fixed improvements are pledged as security. Such financing may be secured by donation pledge agreements.</p>

The above required minimum fundraising threshold must be secured on or before June 30, 2024, and MOSH must satisfy the following intermediate milestones:

MOSH shall document to the DIA in the form of actual donations, received and on deposit, binding grant award letters, evergreen letter(s) of credit and other legally binding financial commitments as approved by the CEO of the DIA (certified by an affidavit of the MOSH CPA), pursuant to the following performance schedule:

- (a) By March 31, 2024, MOSH shall document, pursuant to Section 1.1(b) of the Agreement, having secured funds of not less than \$30,000,000.
- (b) April 30, 2024, MOSH shall document, pursuant to Section 1.1(b) of the Agreement, having secured funds of not less than \$35,000,000 in total.
- (c) By June 30, 2024, MOSH shall document, pursuant to Section 1.1(b) of the Agreement, having secured funds of not less than \$40,000,000 in total.

Failure to secure sufficient funding for the entire Project to allow MOSH to commence construction by December 21, 2025, and proceed without interruption to completion, subject to extensions as permitted in the RDA and by force majeure, will result in the termination of the RDA and MOSH will have no further rights to development of the Property.

Performance
Schedule:

- a. June 30, 2024- MOSH to have satisfied fundraising condition.
- b. June 30, 2024 – MOSH to have completed the bid process, including the award thereof, for the design of the Project in compliance with CCNA and other applicable state and local procurement laws and ordinances applicable to projects.
- c. June 30, 2024, MOSH to have commenced design of the Museum Project and the Project.
- d. October 31, 2024, MOSH to have completed the Schematic Design Phase and submitted plans to the City for approval.
- e. March 31, 2025, MOSH to have completed the Design Development Phase for the Project and Museum Project and submitted plans to the City for approval.
- f. September 30, 2025, MOSH to have completed 100% construction drawings, obtained City approval thereof, submitted applications for all necessary permits to commence construction and prepared construction bid documents.

	<p>g. December 1, 2025, MOSH to have issued bid solicitation for construction for the Museum Project and the Project.</p> <p>h. Commencement of Construction or termination of RDA. Construction of the museum facility by MOSH must commence no later than December 21, 2025. The commencement of construction or installation of the infrastructure and site work performed by the City or its contractor shall not be deemed the commencement of construction of the museum facility.</p> <p>i. July 31, 2028 – Substantial Completion of construction of all improvements on the Property.</p> <p>j. The foregoing deadlines will be subject to extensions of up to a cumulative total of six (6) months granted by the DIA’s Executive Director and an additional up to six (6) months by the DIA Board without additional City approval upon reasonable cause shown by MOSH, and by force majeure. An extension of the Commencement Date shall also apply to the date of Substantial Completion, so that a single extension provided will apply to both simultaneously. All other extensions shall apply only to the performance milestone extended.</p> <p>k. The development of the Property and construction of the museum building will not be phased; however, this provision does not preclude future finishing out of the interior of buildings and other improvements after Substantial Completion. Any future exterior work in the Museum Parcel will be subject to DDRB review. exhibits interior to the building.</p> <p>l. Following entry into the Redevelopment Agreement MOSH will provide to the City, project updates every six months.</p>
<p>Cost Disbursement Agreement and Park Design Schedule</p>	<p>The Design of the park was bid and awarded consistent with CCNA and work on the design has begun. However, in the RDA, the timing of the completion of design was established to coincide with the timing of design of the Project and facilitate coordination of the two projects. Since the Performance schedule for the design of the Project is being substantially changed by this modification, the Performance Schedule for the Park design and Cost Disbursement agreement will be modified to provide for completion of various stages at or near the same dates as established herein for the Project, to allow better coordination of the designs of the projects.</p>