

## LEGISLATIVE FACT SHEET

DATE: 05/11/22

BT or RC No: XA  
(Administration & City Council Bills)

SPONSOR: Downtown Investment Authority  
(Department/Division/Agency/Council Member)

Contact for all inquiries and presentations: Steve Kelley

Provide Name: Steve Kelley

Contact Number: 904-255-5304

Email Address: [skelley@coj.net](mailto:skelley@coj.net)

PURPOSE: White Paper (Explain Why this legislation is necessary? Provide; Who, What, When, Where, How and the Impact.) Council Research will complete this form for Council introduced legislation and the Administration is responsible for all other legislation.

(Minimum of 350 words - Maximum of 1 page.)

This legislation is filed for the approval to enter into a redevelopment agreement for the rehabilitation and reuse of the historic building located at 323 E Bay Street. The redevelopment of this building is being undertaken by the investor/operators led by Eric Fuller with construction managed by DCM Consultants. City funding is authorized through the Downtown Preservation and Revitalization Program ("DPRP") in the amount of \$1,536,350. The DPRP was established under Ordinance 2020-527-E for the purpose of incentivizing the "preservation and revitalization of unoccupied, underutilized, and/or deteriorating historic, and qualified non-historic, buildings located in downtown Jacksonville."

Upon completion, the basement will be dried, and the building re-supported providing approximately 10,400 square feet of shell space for tenancy. The property will be leased to a related entity that will open and operate a live music entertainment venue that will occupy 100% of the leasable space. Renovations proposed include, but are not limited to, window replacement, adding an ADA lift, replacement of an egress stairwell, interior ADA work, fire alarm, sprinkler system, interior bathroom remodel, siding repair, and paint. The project will result in an investment of approximately \$4.8 million for the acquisitions and rehabilitation of this landmark.

City funding will be in the form of: Forgivable loans totaling \$1,038,207 for code compliance and restoration / rehabilitation, with the loans forgiven at a rate of 20% per year, with standard claw back provisions in effect. An additional \$498,142 will be provided as a Deferred Principal Loan, which requires interest payments annually with principal to be repaid at maturity, ten years from the date of funding. Appropriation of funding is required via separate legislation, and funding may only be made following completion and inspection of the project in compliance with the approvals.

APPROPRIATION: Total Amount Appropriated:                     N/A                     as follows:  
 List the source **name** and provide Object and Subobject Numbers for each category listed below:

(Name of Fund as it will appear in title of legislation)

Name of Federal Funding Source(s):	From: _____	Amount: _____
	To: _____	Amount: _____
Name of State Funding Source(s):	From: _____	Amount: _____
	To: _____	Amount: _____
Name of City of Jacksonville Funding Source(s):	From: _____	Amount: _____
	To: _____	Amount: _____
Name of In-Kind Contribution(s):	From: _____	Amount: _____
	To: _____	Amount: _____
Name & Number of Bond Account(s):	From: _____	Amount: _____
	To: _____	Amount: _____

**PLAIN LANGUAGE OF APPROPRIATION / FINANCIAL IMPACT / OTHER:**

Explain: Where are the funds coming from, going to, how will the funds be used? Does the funding require a match? Is the funding for a specific time frame? Will there be an ongoing maintenance? ... and staffing obligation? Per Chapters 122 & 106 regarding funding of anticipated post-construction operation costs.

(Minimum of 350 words - Maximum of 1 page.)

<p>Funding of the forgivable loans and deferred principal loan will require future appropriation by the Jacksonville City Council and will be sought after construction commences and the time frame for actual completion can be determined. Construction is currently projected to commence in 2022.</p> <p>The grants (forgivable loans) and deferred principal loan will be funded from the General Fund (00111) pursuant to the Downtown Preservation and Revitalization Program and through the Downtown Economic Development Fund (00116) in an amount up to \$1,536,350 for redevelopment of the 323 E. Bay Street property.</p> <p>This project would not be feasible without support from the City through the DPRP, or alternative capital subsidy. The building requires significant rehabilitation to ensure ADA compliance and environmental abatement of hazardous materials to make it ready to be used once again and contribute to the City's tax base in its highest and best use.</p>
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**ACTION ITEMS: Purpose / Check List. If "Yes" please provide detail by attaching justification, and code provisions for each.**

ACTION ITEMS:		Yes	No	
Emergency?	<input type="checkbox"/>	<input checked="" type="checkbox"/>		Justification of Emergency: If yes, explanation must include detailed nature of emergency.  
Federal or State Mandate?	<input type="checkbox"/>	<input checked="" type="checkbox"/>		Explanation: If yes, explanation must include detailed nature of mandate including Statute or Provision.  
Fiscal Year Carryover?	<input type="checkbox"/>	<input checked="" type="checkbox"/>		Note: If yes, note must include explanation of all-year subfund carryover language.  
CIP Amendment?	<input type="checkbox"/>	<input checked="" type="checkbox"/>		Attachment: If yes, attach appropriate CIP form(s). Include justification for mid-year amendment.
Contract / Agreement Approval?	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Attachment & Explanation: If yes, attach the Contract / Agreement and name of Department (and contact name) that will provide oversight. Indicate if negotiations are on-going and with whom. Has OGC reviewed / drafted? The Redevelopment Agreement was prepared by OGC and is on file. DIA will be responsible for contract oversight.
Related RC/BT?	<input type="checkbox"/>	<input checked="" type="checkbox"/>		Attachment: If yes, attach appropriate RC/BT form(s).
Waiver of Code?	<input type="checkbox"/>	<input checked="" type="checkbox"/>		Code Reference: If yes, identify code section(s) in box below and provide detailed explanation (including impacts) within white paper.  
Code Exception?	<input type="checkbox"/>	<input checked="" type="checkbox"/>		Code Reference: If yes, identify code in box below and provide detailed explanation (including impacts) within white paper.  
Related Enacted Ordinances?	<input type="checkbox"/>	<input checked="" type="checkbox"/>		Code Reference: If yes, identify related code section(s) and ordinance reference number in the box below and provide detailed explanation and any changes necessary within white paper.  

**ACTION ITEMS CONTINUED: Purpose / Check List. If "Yes" please provide detail by attaching justification, and code provisions for each.**

**ACTION ITEMS:**

	<b>Yes</b>	<b>No</b>
Continuation of Grant?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Explanation: How will the funds be used? Does the funding require a match? Is the funding for a specific time frame and/or multi-year? If multi-year, note year of grant? Are there long-term implications for the General Fund?

Surplus Property Certification?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Reporting Requirements?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Attachment: If yes, attach appropriate form(s).

Explanation: List agencies (including City Council / Auditor) to receive reports and frequency of reports, including when reports are due. Provide Department (include contact name and telephone number) responsible for generating reports.

The DPRP Forgivable Loans and Deferred Principal Loan for the redevelopment will only be disbursed after completion of the improvements, issuance of a Certificate of Occupancy, and the approval of the HPS of the Planning Dept.

Division Chief: *Laci Boyer*  
(signature)

Date: 5/11/22

Prepared By: *Stu T. Kelley*  
(signature)

Date: 5/11/22

**ADMINISTRATIVE TRANSMITTAL**

To: MBRC, Budget Office, St. James Suite 325

Thru: Rachel Zimmer, Director of Intergovernmental Affairs, Office of the Mayor  
(Name, Job Title, Department)

Phone: 255-5006 E-mail: [rachelz@coj.net](mailto:rachelz@coj.net)

From: Rachel Zimmer, Director of Intergovernmental Affairs, Office of the Mayor  
Initiating Department Representative (Name, Job Title, Department)

Phone: 255-5006 E-mail: [rachelz@coj.net](mailto:rachelz@coj.net)

Primary Contact: Rachel Zimmer, Director of Intergovernmental Affairs, Office of the Mayor  
(Name, Job Title, Department)

Phone: 255-5006 E-mail: [rachelz@coj.net](mailto:rachelz@coj.net)

CC: Rachel Zimmer, Intergovernmental Affairs Liaison, Office of the Mayor

Phone: 255-5006 E-mail: [rachelz@coj.net](mailto:rachelz@coj.net)

**COUNCIL MEMBER / INDEPENDENT AGENCY / CONSTITUTIONAL OFFICER TRANSMITTAL**

To: Peggy Sidman, Office of General Counsel, St. James Suite 480  
Phone: 255-5055 E-mail: psidman@coj.net

From: Lori Boyer, CEO of the Downtown Investment Authority  
Initiating Council Member / Independent Agency / Constitutional Officer  
Phone: 904-255-5301 E-mail: boyerl.@coj.net

Primary Contact: Steve Kelley, Director of Downtown Real Estate and Development  
(Name, Job Title, Department)  
Phone: 904-255-5304 E-mail: skelley@coj.net

CC: Rachel Zimmer , Intergovernmental Affairs Liaison, Office of the Mayor  
Phone: 255-5006 E-mail: rachelz@coj.net

Legislation from Independent Agencies requires a resolution from the Independent Agency Board approving the legislation.

Independent Agency Action Item:

Boards Action / Resolution?      **Yes**      **No**  
     

Attachment: If yes, attach appropriate documentation. If no, when is board action scheduled?

Executed DIA Resolution 2022-01-01

**FACT SHEET IS REQUIRED BEFORE LEGISLATION IS INTRODUCED**

**DOWNTOWN INVESTMENT AUTHORITY  
COMMITMENT TRACKING REPORT  
7-Jun-22**

PROJECT (AS PREVIOUSLY APPROVED)	DIA RES	CITY ORD	ROI	FUNDED (Y OR N)	SOURCE OF FUNDING	GENERAL FUND IMPACT (Y OR N)	FISCAL YEAR																			
							19-20	20-21	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33						
Jones Bros. Bldg. (HPTF) <sup>8</sup>	2018-03-01	2018-630	1.19	N	HPTF	Y	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Iguana/Kids Kampus/Shipyards (Completion Grant)	2021-07-01	2021-673	1.00	N	General Fund	Y	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Iguana/Kids Kampus/Shipyards (Municipal Improvements)	2021-07-01	2021-673	1.00	N	General Fund	Y	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Related Group (Completion Grants)	2020-11-01	2021-0253	1.04	N	General Fund	Y	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Related Group (Municipal Improvements - Marina)	2020-11-01	2021-0253	1.04	N	General Fund	Y	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
FIS (Closing Fund Grant)	2019-08-01	2019-0596	1.02	N	General Fund	Y	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Regions Bank (DPRP)	2021-04-05	2021-210	0.50	N	General Fund	Y	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Church and Hogan (DPRP)	2021-01-04	2021-332	0.51	N	General Fund	Y	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Laura Street Trio (DPRP)	2021-04-05	2021-0453	0.87	N	General Fund	Y	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
One Riverside - Restaurant Completion Forgivable Loan	2021-08-01	2021-796	1.18	N	General Fund	Y	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
One Riverside - Supplemental Purchase Price	2021-08-01	2021-796	1.18	N	General Fund	Y	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Union Terminal (DPRP)	2022-03-06	2022-0319	0.84	N	General Fund	Y	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Home2Suites (DEDG)	2021-12-01	2022-0316	1.34	N	General Fund	Y	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>SUBTOTAL (Future General Fund appropriation required)</b>							\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Subject Legislation</b>																										
323 E Bay Street (DPRP)	2022-01-01	TBD		N	General Fund	Y	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL FUTURE FUNDING THROUGH THE GENERAL FUND (Fully Approved plus Proposed)</b>							\$ 2,043,740	\$ 6,277,673	\$ 2,469,320	\$ 13,468,128	\$ 1,924,872	\$ 36,098,615	\$ 39,596,509	\$ 238,522	\$ 238,522	\$ 238,522	\$ 238,522	\$ 238,522	\$ 238,522	\$ 238,522	\$ 238,522	\$ 238,522	\$ 238,522	\$ 238,522	\$ 238,522	\$ 238,522

<sup>8</sup> Jones Bros unfunded grant to be renegotiated as part of new RDA