

RESOLUTION 2021-08-01

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

WHEREAS, Fuqua Development, LLC, is under contract for the acquisition of property within the Combined North Bank Community Redevelopment Area, identified by Duval County Tax Parcel number 088967-0000 and commonly known as the “Morris Property” or the “Times-Union Property”; and

WHEREAS, the DIA is the Community Redevelopment Agency for the Combined North Bank Community Redevelopment Area; and

WHEREAS, the Developer proposes to redevelop the Property with multi-family residential, commercial-retail and mixed-use development; and

WHEREAS, redevelopment of the Property will result in a minimum private capital investment of approximately \$163,360,000; and

WHEREAS, the Developer has demonstrated a financial gap, and the DIA finds it in the public interest to utilize public funds to incentivize the minimum private capital investment of approximately \$163,360,000.

WHEREAS, the Downtown Investment Authority (“DIA”) is authorized per section 55.108 *Economic Development* of the City Ordinance Code, to utilize the Tax Increment Finance District Trust Funds to foster the redevelopment of the Downtown Northbank Community Redevelopment Area; and

WHEREAS, the Downtown Investment Authority (“DIA”) is authorized per section 55.108(8)-(9)(b) *Economic Development* of the City Ordinance Code, to implement the BID Plan, grant final approval of redevelopment agreements, without further action of Council, in furtherance of the BID Plan; and

WHEREAS, the proposed City of Jacksonville REV Grant incentives are a material factor in assisting the Developer in redeveloping the Property with approximately 380 multi-family residential units, approximately 48,000 square feet of commercial/retail, and a riverfront restaurant of not less than 2,500 square feet; and

WHEREAS, the City has concluded that a relocation and widening of McCoy’s Creek facilitates completion of the McCoy’s Creek flood control, creek restoration and resiliency project; and

WHEREAS, DIA desires to expand public view and access corridors to and from the St. Johns River and provide additional park space along the Riverwalk; and

WHEREAS, in order to facilitate the McCoy’s Creek project, the DIA recommends the purchase of approximately 4.6 acres of land.

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 hereby approves the terms and conditions included in Exhibit A, including incentives not to exceed \$31,594,140 as follows:

- a. 20-year / 75% REV Grants not to exceed \$28,419,169;
- b. A Completion Grant not to exceed \$1,719,320;
- c. A Restaurant Completion Grant not to exceed \$750,000;

- d. Dedication of City rights-of-way deemed to be valued at \$545,000; and
- e. A Mobility Fee Credit of \$160,651.

Section 3. The DIA authorizes its Chief Executive Officer to negotiate a Redevelopment Agreement with the Developer or their assigns pursuant to Exhibit A, terms and conditions.

Section 4. The DIA recommends that City Council adopt by ordinance a Redevelopment Agreement pursuant to Exhibit A, terms and conditions.

Section 5. The DIA recommends that City Council vacate by ordinance approximately 0.12 acre of right-of-way and 0.12 acre of drainage easement.

Section 6. The DIA recommends the purchase of approximately 4.6 acres of uplands and submerged lands for \$6,040,680, and further recommends that City Council adopt legislation effectuating the purchase, as required.

Section 7. The DIA finds this resolution, the proposed development and the terms and conditions contained in Exhibit A consistent with and in furtherance of the following Business Investment and Development Plan and Combined North Bank Community Redevelopment Area Plan Redevelopment Goals and Strategic Objectives:

Redevelopment Goal No. 1: Reinforce Downtown as the City's unique epicenter for business, history, culture, education, and entertainment.

Strategic Objective: Support expansion of entertainment and restaurant facilities.

Redevelopment Goal 2: Increase rental and owner-occupied housing downtown, targeting key demographic groups seeking a more urban lifestyle.

Strategic Objectives: Actively pursue a minimum of 3,850 built and occupied multi-family dwelling units by 2025; and strive to induce construction of 350 multi-family dwelling units per year.

Evaluate new multi-family residential development with Downtown design guidelines, overall compatibility, financial feasibility, and existing Downtown residential developments

Redevelopment Goal No. 4: Improve walkability/bikeability and connectivity to adjacent neighborhoods and the St. Johns River while creating highly walkable nodes.

Strategic Objective: Create a mixture of uses so that housing, activities, retail and other businesses are within useful walking distance.

Section 8. The DIA hereby authorizes its CEO to take all necessary actions to effectuate the purposes of this Resolution, including but not limited to the filing of legislation and execution of a Redevelopment Agreement, Purchase and Sale Agreement, or their functional equivalents.

Section 9. This Resolution, 2021-08-01, shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Garvin Christen

W. Braxton Gillam 9/2/21
W. Braxton Gillam, Esq., Chair Date

VOTE: In Favor: 7 Opposed: 0 Abstained: 0

Exhibit A:

TERM SHEET

One Riverside Avenue

Multifamily REV Grant

Grocer Anchored Shopping Center REV Grant

Mixed-Use REV Grant

Fuqua Development, LLC (Developer)

Background: The subject site, comprising approximately 18.34-acres (12.64 upland and 5.70 submerged, the "Property") is currently owned by 1 Riverside Property, LLC ("Owner").

The Property is bisected by McCoy's Creek, a 40-foot wide bulkheaded channel owned by the City. The air rights over the creek were conveyed to Owner from the City of Jacksonville decades ago when the property was developed and the surface over the creek is currently paved as parking and a driveway. There are two primary structures currently on the site; one on either side of the creek channel. As part of the McCoy's Creek stream restoration, flood control and resiliency project, the channel is proposed to be widened to at least 84 feet and daylighted (surface coverings removed).

The existing CIP project cost estimates include the cost of creating a new access road to the parcel east of the creek that would become landlocked by the daylighting of the creek. This proposal eliminates the need to do that by reconfiguring the creek resulting in cost savings that may then be used for acquisition of the property described below. Additional benefits to the City will be found through resiliency resulting from the relocated and redesigned McCoy's Creek that will provide natural shoreline on the park side versus bulkhead if left within the development parcel. The park itself can then accept floodwaters during extraordinary storm events better than the adjacent developed properties, and upstream drainage will improve in the same way.

Project: One Riverside Avenue is a plan for the acquisition and development of the Property (f/k/a the Florida Times Union property) located at 1 Riverside Ave. in the Brooklyn District of the Downtown Northbank Community Redevelopment Area. Fuqua Development (Fuqua) is under contract to acquire the approximately 18.34-acre site in its entirety. Following that closing, the City of Jacksonville would purchase approximately 4.9 acres on the east side of that Property (3.44 upland and 1.46 submerged) to facilitate completion of the McCoy's Creek project, a portion of which land will ultimately become available for development of a City park ("COJ Park") upon completion of the McCoy's project.

Fuqua proposes to develop the remaining westerly portion of the Property, approximately 13.42 acres (9.19 upland and 4.24 submerged)(the "Development Parcel"), in two phases. Phase 1 will provide an estimated 39,256 feet of retail (including a grocer occupying approximately 23,256 square feet plus an estimated 16,000 square feet of speculative retail space), and multi-family residential totaling a proposed 271 units in two buildings. Parking will be provided in approximately 195 spaces of surface parking interior to the site and 420 spaces in a five-story structured parking garage, all subject to compliance with the requirements of Subpart H. - Downtown Overlay Zone and Downtown District Use and Form Regulations except as provided below.

Phase 2 will include two mixed-use buildings and provide an estimated 15,000 square feet of additional retail inclusive of a riverfront restaurant, and five stories of multi-family residential comprising approximately 125 units. Fuqua also proposes the development of an additional 2.5 stories of parking in Phase 2 as well, also subject to compliance with Subpart H. Downtown Overlay requirements. See Exhibit 1 for more detail.

Through the acquisition and redevelopment, COJ will daylight McCoy's Creek and relocate it with a widened channel approximately 100 feet to the east of its current location, which will improve the drainage capabilities and sustainability measures of the entire creek and create better recreational opportunities for park visitors. In doing so, the existing covered creek site will be abandoned and filled by COJ which will facilitate the development of Phase 2 by Fuqua. The resulting City park adjacent to the existing railway will provide approximately 2.05 acres of recreational area for the public, accessible by the Riverwalk and a redesigned May Street, and 25 feet of creek front M/U path along the western edge of McCoy's Creek. See Exhibit 2 for more detail.

Neither Fuqua nor COJ have immediate plans for the use of the submerged land that will be owned on a fee simple basis by each party as noted above.

Developer/ Applicant: Fuqua Development, LP of Atlanta Georgia will serve as the master developer for the Fuqua sites. The property acquired by Fuqua will be further subdivided into three parcels to accommodate: 1) the retail portions of Phase 1, and 2) the garage and residential portions of Phase 1, and 3) the mixed-use property of Phase 2. A solely owned Fuqua entity will serve as the developer for the retail parcel of Phase 1, whereas a joint venture between Fuqua and a recognized regional development partner (to be approved by the DIA) will develop the residential component of Phase 1 and the mixed-use property in Phase 2.

<u>Total Development Costs (estimate):</u>	\$182,214,847
<u>Underwritten Development Costs Used for REV Grant Calculations:</u>	\$173,645,211
<u>Equity (proposed):</u>	(30% of TDC) \$ 54,664,454

City Incentives: Not more than \$31,594,140, as follows:

REV Grants: The Developer is requesting a REV Grant for 75% of the municipal and county ad valorem tax increment generated by each component of the project each year beginning with the first full year placed into service and ending on the earlier of: (i) 20 years thereafter, or (ii) upon the expiration or earlier termination of the Northbank Community Redevelopment Area TIF, unless the City agrees to assume the obligations of the Northbank CRA.

The total REV grant indebtedness will not exceed \$28,419,169 and will be paid annually beginning the first year of taxation following completion of each component based upon the incremental increase in the Duval County Operating Millage ad valorem taxes collected ("Annual Project Revenue").

The REV Grants will be paid individually to Developer, its successors, or assigns in the following maximum amounts:

Retail – Phase 1*	\$ 2,757,711.00
Residential - Phase 1*	\$17,347,914.00
<u>Mixed Use – Phase 2</u>	<u>\$ 8,313,544.00</u>
TOTAL	\$28,419,169.00

*Both Phase 1 REV Grants are expressly conditioned upon completion of a riverfront restaurant in Phase 1 as described in more detail below.

For this purpose, the base amount shall be \$11,078,614, which equals the pro rata share of the 2020 valuation of the property being acquired with RE# 088967-0000, per the Duval County Property Appraiser. Apportionment of that base amount is made as follows:

2020 Tax Value	\$ 15,120,417	100.0%		
Fuqua	\$ 11,078,614	72.8%		
Retail			\$ 4,700,018	42.4%
Residential			\$ 4,280,373	38.6%
Mixed-use			\$ 2,098,222	18.9%
COJ	\$ 4,041,803	27.2%		

Completion Grant: The appraised value of the COJ Park land is \$7,760,000 assuming clear title and the ability to develop. There is currently an encumbrance in favor of the railroad that may impact value and development capacity. The COJ Park land is proposed to be acquired for \$6,040,680 which amount reflects the cost savings to the McCoy's project achieved by the relocation and which will be recognized without regard to elimination of the title issue. In the event Developer is able to clear the current title issue so that the full appraised value can be realized, COJ will pay to Developer upon completion of the demolition, a Completion Grant in the amount of the difference between the amount previously paid and full appraised value, with such difference totaling \$1,719,320.

Riverfront Restaurant Incentive: A forgivable loan of up to 50% of the restaurant construction cost not to exceed \$750,000 shall be paid to Developer upon completion of the Riverfront Restaurant. Restaurant construction cost shall not include the cost of associated parking, if any, nor real estate taxes. The loan shall be forgiven 10% per year so long as the restaurant space is occupied, operates for a minimum of 8 hours per day, 6 days per week, and remains in operation throughout the year except in the event of operator turnover. 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 tenth anniversary shall be due and payable on that tenth anniversary date. If restaurant is located in the residential building, 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. If a separate stand alone, a separate tax parcel will be created and total construction cost less the cost of parking and taxes will be used.

Land: The City currently owns a right of way and drainage easement on the westerly portion of the Property, deemed to have values of \$315,000 and \$230,000, respectively. The City will convey or terminate those property rights in favor of Fuqua upon the Land Closing Date, as defined herein, providing confirmation of no active utility lines or services located within such right of way or easement. The City reserves the right to retain a drainage easement along the western edge of the Fuqua parcel should it be needed as an alternative site for this easement.

Further, the City will swap its ownership of the current site of McCoy's Creek for a similar size parcel on the COJ park parcel for relocation of the creek, which together with the associated air rights is considered to be a like kind land swap of equal value.

Mobility Fee: The City will provide Fuqua with a Mobility Free credit of \$160,651.

Stormwater Credits. Consistent with and pursuant to Chapter 55, Part 2, *Ordinance Code*, Developer may apply for and upon approval of such application and payment of the applicable fee, the City shall convey any Water Quality Compensatory Credit(s) as necessary for the construction of the Phase 1 and Phase 2 improvements.

Developer Improvements: The Developer has requested relocation of the Riverwalk Easement recorded in OR 10555 at page 1744 in the vicinity of the helipad which is to be eliminated. If developer elects to pursue such relocation, Developer shall construct so much of the Riverwalk as is to be relocated at Developer's sole cost and expense consistent with current Riverwalk design standards and the new easement area shall be no less than 30 feet in width consistent with the current easement width.

Infrastructure: No City of Jacksonville infrastructure improvements are contemplated as incentives to this development activity. Nevertheless, the previously approved and in design McCoy's Creek project includes certain access improvements for this site necessitated by the widening and opening of the creek. As a result, a new access roadway extending May Street from Leila Street onto the site is included in the McCoy's Creek project and will facilitate this development.

Loans: No other loans, grants, or other funding from the City of Jacksonville are contemplated for this project.

Percent of COJ investment to overall project cost: $\$31,594,140 / \$183,714,847 = 17.2\%$
 Percent of COJ investment to underwritten project cost: $\$31,594,140 / \$175,145,211 = 18.0\%$

Minimum Capital Contribution:

- 1) The minimum total capital contribution through completion to remain eligible for the REV Grant is \$163,366,600 further broken out as follows by component:

Retail – Phase 1	\$ 20,247,465
Residential - Phase 1	\$ 95,841,100
Mixed Use – Phase 2 Retail	\$ 4,835,300
Mixed Use – Phase 2 Residential	\$ 43,069,600
	<u>\$ 47,904,900</u>
	\$163,993,465

Note: The DIA Board may approve a change in the sub-limits for the minimum capital contribution under the Mixed-Use component in which the subtotal of \$47,904,900 is maintained and neither the Retail nor the Residential subcomponent deviates by more than 10% of the amounts shown.

Additional Commitments:

- 1) Developer commits at minimum to the development of:

Phase 1 Improvements

Retail*	35,330 square feet ¹
Residential	265 units multifamily
Structured Parking	400 spaces

1 - To also include a major brand grocery store of not less than 22,000 square feet

Mixed Use – Phase 2 Improvements

Retail	13,500 square feet ²
Residential	113 units
Parking	180 spaces

2 – To also include a minimum of 2 restaurants along McCoy's Creek and/or the St. John's River at least one of which must be a minimum of 3500 square feet on the ground floor; Phase 2 development shall face the creek and park

- 2) A riverfront (meaning direct frontage on the Riverwalk or river) full-service restaurant shall be constructed in Phase 1. The restaurant must have a minimum of 2500 square feet of enclosed conditioned space with no less than 500 square feet of outdoor service area if located on the helipad or 3000 square feet of enclosed conditioned space if located within a residential building with no less than 500 square feet of riverfront outdoor service area. The restaurant must be able to serve meals to 100 or more patrons at one time.
- 3) As used herein retail shall include businesses that sell products on a transactional basis to end consumers, food and beverage establishments, or providers of services targeted towards the general public (other than healthcare, advising, or counseling). Retail locations should be ground floor, visible from Riverside Avenue or creek or river facing, and designed to attract the general public onto the property. Businesses, other than a gym or spa, operating primarily or exclusively on a membership basis, conducting business with customers under term arrangements, or providing goods and services targeted principally to other businesses shall not generally meet this definition, unless approved on a case-by-case basis.
- 4) Developer may elect to perform the demolition of the former Florida Times-Union production building at the City's expense at a fixed price cost of \$4,600,000. City will provide a Temporary Construction Easement to the Developer if this option is chosen. If developer elects to perform the demolition, the site shall be returned to graded condition with all building debris and footers removed from the site and pilings removed to 3 feet below grade, all in accordance with plans and specifications agreed upon by Developer and the City and attached to the Redevelopment Agreement.
- 5) Developer to provide City with a Temporary Construction Easement over all land east of the existing McCoy's creek together with a 25' strip adjacent to and west of the current bulkhead to facilitate the City's removal of the existing bulkheads and filling of the existing creek location.

Design Considerations

The development must be compliant with requirements of the Downtown Overlay without waiver except as identified below:

View and Access Corridors: The view and access corridors currently depicted on the site plan are an extension of Leila Street (complies with Overlay requirement) and two new view corridors – one at the extension of May Street and one at the new McCoys Creek. This results in a Phase 1 residential building width parallel to the river that approaches 350' between the view corridors. This length exceeds the permissible width and would require a deviation. It should be noted that due to the elevated Acosta ramp, there is currently no view and access corridor throughout the entire length of the site and the new development proposal would provide three. DIA would support the necessary deviation of maximum distance between view and access corridors to permit the wider residential phase 1 building as depicted provided the following conditions are satisfied:

- a. The western corridor is at least 40' in width as required, but is encouraged to exceed that width
- b. The central corridor is wide enough to accommodate two travel lanes and a sidewalk from May Street to the River together with streetscape improvements such as landscape and streetlights, but possibly less than 40 feet in width.
- c. Each corridor is dedicated to remain open in perpetuity
- d. Inclusion of a minimum 8' sidewalk (preferably 10') on at least one side of the corridor extending from the Riverwalk to the nearest public right of way
- e. Directional signage is included in accordance with Riverwalk Design standards both at the Riverwalk and at the nearest perpendicular right of way identifying the corridor as Riverwalk access.

Riverfront and creekfront setbacks and massing: To qualify for the incentives contemplated herein, no deviation or waiver from the riverfront height step backs or massing, or creekfront or riverfront setbacks shall be considered or allowed except as follows. A waiver allowing additional height or massing in Zone C beyond the available transfer from Zone B may be presented for consideration provided:

- a. No portion of the COJ Park or any required view and access corridor can be considered for massing swap.
- b. No private development elements encroach into Zone A except
 1. a riverfront restaurant meeting the Phase 1 Riverfront Restaurant requirement above, and not more than 30 feet in height, may be allowed in Zone A in the vicinity of the current helipad
 2. Outdoor seating for a Riverfront Restaurant located in the residential building may encroach into Zone A up to the edge of the Riverwalk Easement.
- c. 50% or less of the available Zone B massing on the Development Parcel is used in Zone B. In other words the vertical building plane is further back from the river than the required 50 feet or the building articulation results in less of the 50% of the permissible massing actually being used in Zone B even when reallocated to increase Zone B Height. This percentage is subject to minor adjustment with the approval of staff.
- d. No parking, structured or surface, may be located on and visible from the riverfront
- e. No fill within Zone A or B will create a blank wall facing the Riverwalk or creek and the design will include riverfront and creekfront entrances. If Zone A or B are filled, the river frontage of any retaining wall will be activated.
- f. Ground floor retail and restaurant space must be included on the riverfront and creekfront consistent with the square footage minimums, and is encouraged in all riverfront and creekfront buildings.
- g. All creekfront parking must be wrapped with retail or residential uses at ground floor level facing the park and creek.
- h. A deviation from the 15' creekfront setback measured from the outside edge of the 25' public use area, (40' from top of bulkhead) above an elevation of 18 feet from grade would be allowed without loss of incentive if granted by DDRB. This deviation may not reduce the setback above 18 feet to less than 5 feet. The setback area at grade may be activated with out door restaurant seating and similar temporary uses as allowed by code.

Parking:

Generally, all surface parking will be screened from road frontage by buildings as required. Notwithstanding the foregoing, a request for deviation for surface parking adjacent to the Acosta Bridge ramp only may be processed without loss of incentive if granted by DDRB. Such application if any will be evaluated in accordance with the Overlay standards. Any request for deviation related to surface parking adjacent to Riverside Avenue would result in a loss of the retail incentive.

Performance Schedule:

- Execution of the Redevelopment Agreement shall occur within 30 days of City Council Approval and the Bill Effective Date;
- Fuqua will close on the acquisition of the Land on or before December 31, 2021 (the "Land Closing Date"); and
- Demolition of existing structures to start no later than June 30, 2022.

Phase 1 Residential, Riverfront Restaurant and Phase 1 Retail

- Apply for and receive Final Approval from DDRB Phase 1 Residential and Riverfront Restaurant within six (6) months following the Land Closing Date, but not later than April 30, 2022, demonstrating compliance with Subpart H. - Downtown Overlay Zone and Downtown District Use and Form Regulations including but not limited to riverfront and creekfront building massing, view and access corridors, surface parking lot requirements, all setbacks, and easements, as outlined further above.
- Submit all permit applications necessary for the Commencement of Construction of Phase 1 Retail, Riverfront Restaurant and/or Residential within six (6) months following Land Closing Date, but no later than June 30, 2022.
- Commencement of Construction of Phase 1 Residential within three (3) months following receipt of Building Permits from the COJ Building Inspection Division as necessary to begin construction for the applicable component, but no later than March 31, 2023. Commencement of Construction means:
 - a) As reasonably can be considered necessary so that physical construction of the eligible Project (or any applicable component thereof) may begin and proceed to completion without foreseeable interruption:
 - Completion of all pre-construction engineering and design;
 - All necessary licenses, permits, and governmental approvals;
 - Engagement of all prime contractors;
 - Ordered essential equipment and supplies; and,
 - Financial commitments and resources to complete the construction of the applicable component; and,
 - Evidence of having "broken ground" and begun physical, material renovation and construction of new (excludes demolition) improvements on an ongoing basis without any Impermissible Delays.
- Substantial Completion of Phase 1 Residential and Riverfront Restaurant within thirty (30) months following Commencement of Construction of the applicable component as defined above, but not later than September 30, 2025.
- Commencement of Construction of Phase 1 Retail no later than July 31, 2024. Commencement of Construction is the same as defined above.
- Substantial Completion of Phase 1 Retail within fourteen (14) months following Commencement of Construction of the applicable component as defined above, but not later than September 30, 2025.

Phase 2 Mixed-Use

- Submit for DDRB Final Approval within six (6) months after Completion of McCoy's Creek Relocation.
- Submit Building Permit applications within three (3) months after DDRB Final Approval.
- Commencement of Construction of Phase 2 Mixed-Use within one (1) month following receipt of Building Permits from the COJ Building Inspection Division as necessary to begin construction .
- Substantial Completion of Phase 2 Mixed-Use within thirty (30) months following Commencement of Construction.

Authority to Extended

- The DIA CEO will have authority to extend this Performance Schedule for any component individually, (Phase 1 Retail, Phase 1 Residential, or Phase 2 Mixed-Use), in the CEO's discretion, for up to six (6) months for good cause shown by the Developer / Applicant. Extensions of the Commencement of Construction date for any component, shall also serve to simultaneously extend the Completion of Construction date only for that same component by the same period granted.
- All deadlines may be extended for force majeure delays as further defined.

Additional City of Jacksonville Commitments:

- Concurrently with the Land Closing Date, but not later than December 31, 2021 (the "Park Closing Date"), COJ will purchase from Fuqua the COJ Park 2.05 acres of upland, and 1.46 acres of submerged land, and will also acquire approximately 1.07-acres for the relocation of McCoy's Creek for a purchase price of not more than \$6,040,680, with provision for an additional \$1,719,320 in the form of a Completion Grant subject to clear title of all encumbrances and upon completion of demolition of existing structures.
- The City shall complete all design work and receive all necessary permits for relocation of McCoy's Creek within twelve months of the Park Closing Date, but not later than December 31, 2022. Failure to meet this requirement shall provide Fuqua with the right to repurchase the property from the City at the price originally paid.
- Following the excavation for the new site of McCoy's Creek, but not later than by September 2023, City will remove the bulkheads and fill the existing McCoy's Creek site with suitable fill material for the intended Phase 2 improvements, to an agreed upon grade, all in accordance with specifications agreed upon by Developer and the City and attached to the Redevelopment Agreement. .
- Not later than September 2023, City will complete the new May Street.
- Subject to extension for force majeure, If the City fails to complete its obligations hereunder within 6 months following the completion date for May Street and and removal of the bulkhead and filling of the creek, the Developer shall have the option of requiring the City to purchase the Phase 2 land at the current appraised value of \$60./psf.

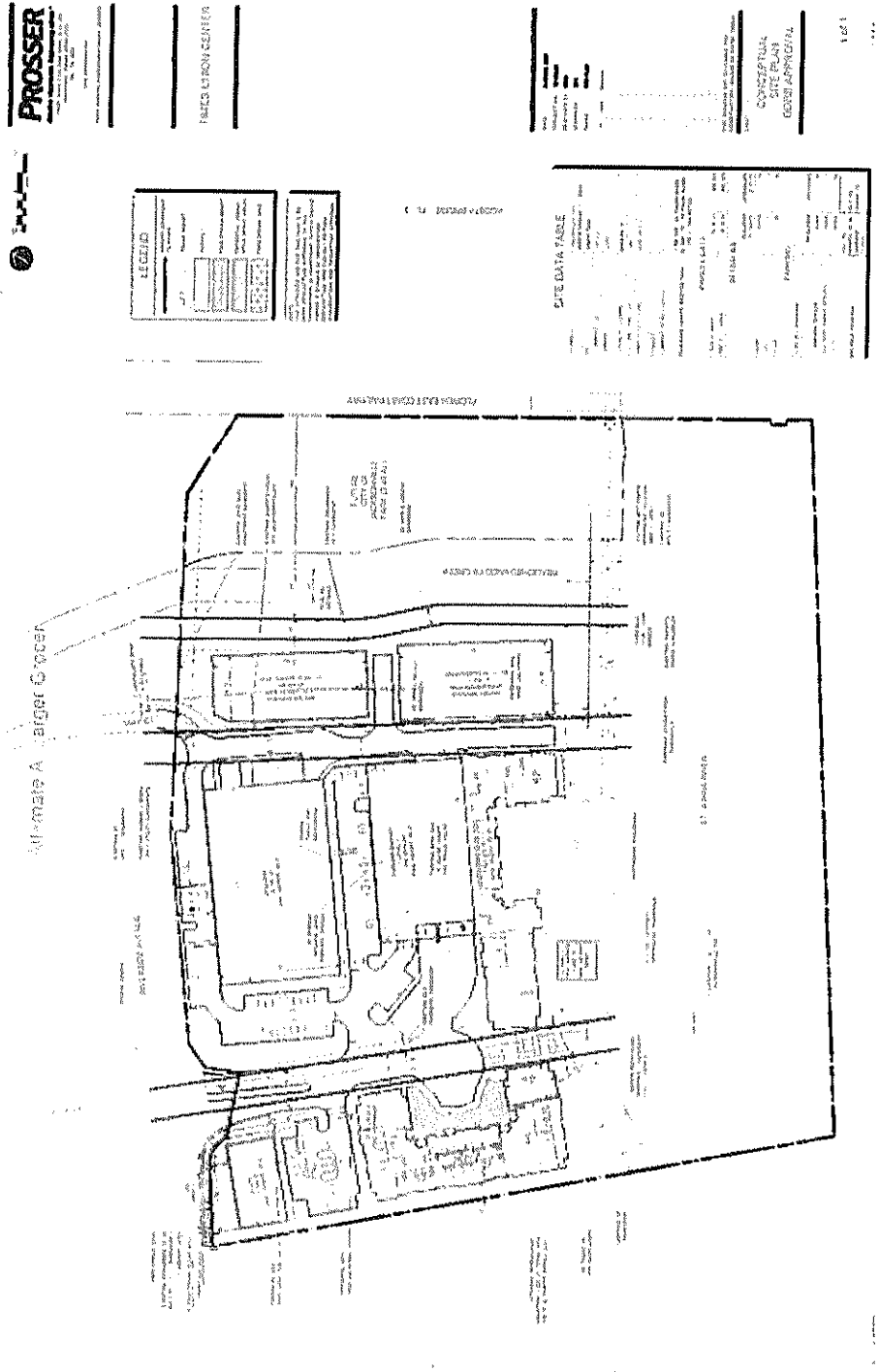
This Term Sheet proposal is limited by the following conditions:

The proposed REV Grant requires adherence to all terms and conditions of the Downtown Zoning Overlay as required by the DDRB approval without the request of any deviation or waiver of riverfront heights or setbacks or creekfront heights or setbacks, or view corridor requirements except as provided above.

There will be additional terms, conditions, rights, responsibilities, warranties, and obligations for both parties which shall be determined in a later negotiated mutually agreeable written contract (or multiple written contracts as is deemed necessary).

EXHIBIT 1

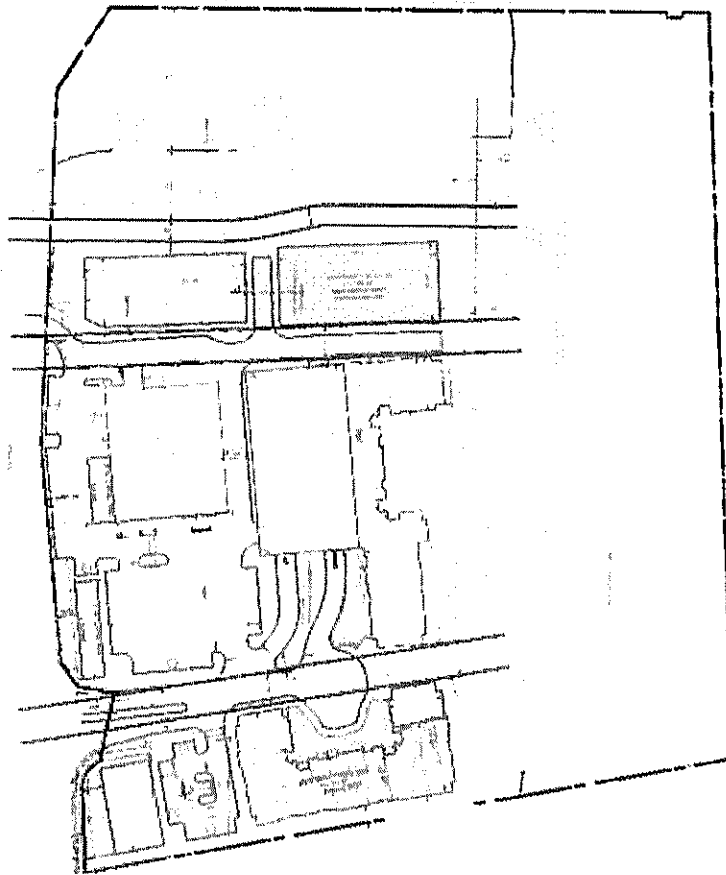
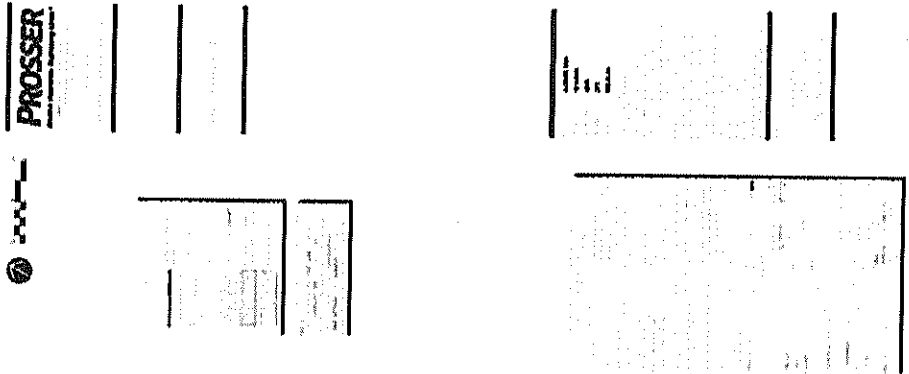
Proposed Site Plan for One Riverside Avenue- Altrenate A



NOTE: Plans as shown are subject to further review and approval in confirmation with Subpart H. - Downtown Overlay Zone and Downtown District Use and Form Regulations.

EXHIBIT 1

Proposed Site Plan for One Riverside Avenue- Alternate B



NOTE: Plans as shown are subject to further review and approval in confirmation with Subpart H. - Downtown Overlay Zone and Downtown District Use and Form Regulations.

EXHIBIT 2
Site Plan for COJ Park

