

RESOLUTION 2026-02-08

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY REQUESTING THE JACKSONVILLE CITY COUNCIL TO ENACT AN ORDINANCE AUTHORIZING AND APPROVING A THIRD NOTE MODIFICATION (OR FUNCTIONAL EQUIVALENT) AGREEMENT AND THIRD MORTGAGE MODIFICATION AGREEMENT (OR FUNCTIONAL EQUIVALENT) AMONG THE CITY, VCP-ROOSEVELT BUILDING, LTD. AND VCP-ROOSEVELT GARAGE, LLC; AND A FOURTH NOTE MODIFICATION AGREEMENT (OR FUNCTIONAL EQUIVALENT) AND FOURTH MORTGAGE MODIFICATION AGREEMENT (OR FUNCTIONAL EQUIVALENT) BETWEEN THE CITY AND VCP-LYNCH BUILDING, LTD. EXTENDING REPAYMENT OF THE LOANS TO SEPTEMBER 1, 2026; PROVIDING FOR OVERSIGHT OF THE PROJECT BY THE DOWNTOWN INVESTMENT AUTHORITY; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, in 2001 City Council approved a Redevelopment Agreement with Westcor Companies for the historic renovation of the 11 E Forsyth building (f/k/a Lynch building); and

WHEREAS, in 2003 City Council approved a Redevelopment Agreement with VCP-Roosevelt, LLC for the historic renovation of the Carling building (f/k/a Carling Hotel and Hotel Roosevelt); and

WHEREAS, on June 30, 2003, the City made a \$17,816,000 loan to VCP-Lynch Building, Ltd. for the 11 E Forsyth building (f/k/a Lynch building); and

WHEREAS, on February 21, 2006, the City of Jacksonville ("City") made a \$15,505,900 loan to VCP-Roosevelt Building, Ltd. ("VCP-Roosevelt") for the historic renovation of the Carling building (f/k/a Carling Hotel and Hotel Roosevelt)

WHEREAS, in March 2010, the City Council approved interest only payments in connection with the 11 E Forsyth building (f/k/a Lynch building) loan ending in 2013; and

WHEREAS, in June 2014, the City Council approved further loan modifications as follows:

Suspending principal payments for three years on the Carling building loan; and

One-half principal payments on the 11 E Forsyth building loan; and

WHEREAS, in July 2023, the City Council approved a loan extension from June 30, 2023 to March 1, 2026 in connection with the 11 E Forsyth building (f/k/a Lynch building) loan; and

WHEREAS, the terms for each of the abovementioned loans matures on March, 1 2026; and

WHEREAS, as of February 2026, the outstanding balances for the abovementioned loans are approximately:

11 E Forsyth building loan: \$10,973,327; and

Carling building loan: \$11,032,207

WHEREAS, the DIA budgeted the revenue from the abovementioned loans in its FY 25-26 budget for various projects, programs and financial obligations including Snyder Historic Renovation Incentives; 11 E Building DIA loan from Self Insurance Fund repayment; and partial funding of the Gateway/Riverfront Plaza redevelopment pad incentive; and

WHEREAS, the developers (Vestcor related entities) have committed to repayment of each loan, but have requested an extension to September 1, 2026; and

WHEREAS, so long as the revenue is received by the DIA in FY 25-26 there is no adverse effect to its budget,

NOW THEREFORE BE IT RESOLVED by the Downtown Investment Authority:

Section 1. The above recitals are true and correct and incorporated herein by reference.

Section 2. The Downtown Investment Authority approves and hereby requests the Jacksonville City Council to enact an ordinance (1) authorizing and approving a Third Note Modification Agreement (or functional equivalent) and Third Mortgage Modification Agreement (or functional equivalent) among the City, VCP-Roosevelt, and VCP-Roosevelt Garage, LLC; and a Fourth Note Modification Agreement (or functional equivalent) and Fourth Mortgage Modification Agreement (or functional equivalent) between the City and VCP-Lynch, the effects of which are to extend the repayment date for each to September 1, 2026; and (2) providing for oversight of the project by the Downtown Investment Authority.

Section 3. This Resolution, 2026-02-08, shall become effective on the date it is signed by the Chair of the DIA Board.

[SIGNATURES ON FOLLOWING PAGE]

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

[Handwritten Signature]

[Handwritten Signature]

Patrick Krechowski, Esq., Chairman

2/18/26

Date

VOTE: In Favor: 9 Opposed: 0 Abstained: 0