

## **RESOLUTION 2025-04-13**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) INSTRUCTING ITS CHIEF EXECUTIVE OFFICER (“CEO”) TO ISSUE A 30-DAY NOTICE OF DISPOSITION IN ACCORDANCE WITH FLORIDA STATUTES AND THE NEGOTIATED DISPOSITION POLICY APPROVED BY ORDINANCE 2022-372-E; AUTHORIZING THE PUBLICATION OF A NOTICE OF DISPOSITION FOR THE FEE SIMPLE DISPOSITION OF APPROXIMATELY 0.21 ACRES OF CITY OWNED PROPERTY AS DEPICTED ON EXHIBIT A ATTACHED HERETO AND IDENTIFIED BY DUVAL COUNTY TAX PARCEL NUMBERS RE# 073558-0000, RE# 073561-0000, AND RE# 073560-0000 (“THE PROPERTY”); EXPRESSING THE INTENTION, ABSENT HIGHER RESPONSIVE OFFERS, TO DISPOSE OF SAID PROPERTY IN ACCORDANCE WITH THE NEGOTIATED TERMS ATTACHED HERETO AS EXHIBIT B, AND ESTABLISHING THE TERMS OF THE PUBLISHED NOTICE OF DISPOSITION ATTACHED HERETO AS EXHIBIT C; AND FINDING THAT THIS RESOLUTION FURTHERS THE BUSINESS INVESTMENT AND DEVELOPMENT (“BID”) PLAN, INCLUDING THE COMMUNITY REDEVELOPMENT AREA PLAN; AUTHORIZING THE CEO OF THE DIA TO TAKE ALL ACTION NECESSARY TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, via Ordinance 2012-0364-E, the City Council created the Downtown Investment Authority (“DIA”), designating the DIA as the City’s Community Redevelopment Agency for the Combined Northbank Downtown Community Redevelopment Area (“Northbank CRA”) and authorizing it to approve and negotiate economic development agreements and dispose of City-owned property; and

**WHEREAS**, DIA is the designated Community Redevelopment Agency for the Northbank CRA, for which a Business Investment and Development Plan, inclusive of a Community Redevelopment Plan, (“BID/CRA Plan”) was adopted by Ordinance 2014-560-E and updated by Ordinance 2022-372-E; and

**WHEREAS**, Section 55.108 of the Jacksonville Code of Ordinances grants certain powers and duties to the DIA, including:

Interpreting the BID/CRA Plan and approving development and redevelopment projects within Downtown.

Implementing the BID/CRA Plan, negotiating and approving downtown development and redevelopment agreements, grant agreements, license agreements, and lease agreements.

Planning and proposing Projects and Public facilities within Downtown; and

Subject to Section 122.434, Ordinance Code (Procedure for disposition of Community Development Property), hold, control, manage, lease, sell, dedicate, grant, or otherwise dispose of any of the City’s Downtown assets and properties managed by the DIA, or any interest therein.

**WHEREAS** the City owns approximately 0.21 acres of real property identified by Duval County Tax Parcel Numbers RE# 073558-0000, RE# 073561-0000, and RE# 073560-0000 (the “Property”), as more particularly described in **Exhibit A**, attached hereto, within the Northbank CRA, and which are assigned to the Northbank CRA for redevelopment; and

**WHEREAS**, Housing Trust Group, LLC (“HTG”) and Cathedral District Jax, LLC (“CDJ”) and together with HTG, collectively, the “Developer”) are under contract to purchase the adjacent parcels identified by Duval County Tax Collector Parcel Numbers RE# 073559-0000, RE# 073557-0000, RE# 073556-0000, and RE# 073555-0000 (collectively, the “Developer’s Parcel”); and

**WHEREAS**, Developer submitted to the DIA an “unsolicited proposal” regarding the acquisition of the Property and has had an appraisal prepared for the Property; and

**WHEREAS**, the Property is currently vacant and unused for City purposes, but if such Property is made available for disposition, a 30-day notice of disposition is required for all property within a CRA; and

**WHEREAS**, DIA staff has reviewed the appraisal of the Property prepared by the Moody Williams Appraisal Group, ordered by the Developer as required in the Disposition Policy for Unsolicited Proposals and accepts the same for purposes of establishing the value benchmark for required City Council approval; and

**WHEREAS**, Developer submitted an unsolicited proposal on the Property that was generally in line with the CRA Plan for the Northbank Downtown CRA, including maintaining the property in a taxable status, and DIA staff negotiated for the inclusion of a minimum number of market rate units and a minimum amount of retail space at the ground floor, in accordance with DIA’s approved negotiated disposition process; and

**WHEREAS**, the essential terms of the negotiated disposition and redevelopment proposal including certain of Developer’s obligations and conditions to closing on the Property are set forth in the Term Sheet attached as **Exhibit B**; and

**WHEREAS**, DIA has established the terms upon which a notice of disposition will be published as set forth in **Exhibit C**; and

**WHEREAS**, the DIA finds that the proposed disposition and redevelopment proposal furthers the following Redevelopment Goal and Strategic Objectives found in the BID/CRA Plan:

**Redevelopment Goal 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 multifamily dwelling units per year, on average.

- Improve the breadth and diversity of housing options across Downtown Jacksonville to provide all types and varied price ranges of rental and owner-occupied opportunities, including mixed-income and mixed-use structures.

**Redevelopment Goal No. 3: Increase and diversify the number and type of retail, food and beverage, and entertainment establishments within Downtown.**

**Strategic Objectives:**

- 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.

**Redevelopment Goal 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:**

- 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.

**WHEREAS**, at a publicly noticed meeting held on April 10, 2025, the DIA Retail Enhancement and Property Disposition Committee (“REPD”) recommended that the DIA Board adopt Resolution 2025-04-13 and

**WHEREAS**, the Disposition of the Property to the Developer would be in the public interest, by placing the Property back on the tax roll, in addition to the usual economic benefits of new construction such as the collection of fees and the creation of construction jobs while the redevelopment is being built.

**WHEREAS**, upon adoption of this Resolution, a 30-day public notice for the solicitation of proposals pursuant to Section 163.380(3)(a), Florida Statutes, and Sections 122.434(a) and (b), Jacksonville Ordinance Code, will be issued.

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

**Section 1.** The recitals set forth above are true and correct and are hereby incorporated herein by this reference.

**Section 2.** The DIA has determined that in furtherance of its plan to facilitate development in the Downtown Northbank Community Redevelopment Area the Property should be developed for use as contemplated in the Project in accordance with the terms outlined in **Exhibit B**, attached hereto, unless a responsive proposal of greater value is received, and that the commitments of the Developer regarding development of the property constitute fair value for the land

**Section 3.** The DIA instructs the Chief Executive Officer of the Downtown Investment Authority (“DIA CEO”) to take all action necessary to effectuate the thirty (30) day Notice of

Disposition for the Property in accordance with its Negotiated Notice of Disposition Process and pursuant to the terms set forth in **Exhibit C** and consistent with Florida Statutes and the Ordinance Code.

**Section 4.** Proposals received, if any, will be reviewed by the DIA CEO, who will make a recommendation to the DIA Board regarding any responsive alternate proposals received.

**Section 5.** If no alternate responsive and qualified proposals are received, the DIA CEO is authorized to take all necessary actions, including the filing of legislation with the City Council to effectuate the disposition of the Property to Developer in accordance with the term sheet attached hereto as **Exhibit B**.

**Section 7.** The DIA Board hereby authorizes the DIA CEO to take all action necessary to effectuate the purposes of this Resolution, including the filing of legislation.

**Section 8.** This Resolution, 2025-04-13, shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

**DOWNTOWN INVESTMENT AUTHORITY**

  
\_\_\_\_\_  
Patrick Krechowski, Esq., Chairman  
\_\_\_\_\_  
Date

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



**Exhibit A to Resolution 2025-04-13  
The Property**



- 216 Duval Street E – RE# 073558-0000 – The East  $\frac{1}{2}$  of the West  $\frac{1}{2}$  of Lot 5, Block 19, according to Hart's Map of Jacksonville, as recorded in the Public Records of Duval County, Florida.
- 222 Duval Street E – RE# 073561-0000 – The West  $28\frac{3}{4}$  feet of the East  $\frac{1}{2}$  of Lot Five, Block 19, according to Hart's Map of Jacksonville, as recorded in the Public Records of Duval County, Florida.
- 228 Duval Street E – RE# 073560-0000 – The East  $23\frac{3}{4}$  feet of Lot 5 and West 5.0 feet of Lot 6, Block 19, according to Hart's Map of Jacksonville, as recorded in the Former Public Records of Duval County, Florida.

**Exhibit B to Resolution 2025-04-13  
Term Sheet**

<b>Project Name:</b>	Cathedral District Apartments (Placeholder)
<b>Purchaser/Developer:</b>	An SPE to be created by Housing Trust Group, LLC (“HTG”) in partnership with Cathedral District Jax, Inc. (“CDJ,” and together with HTG, collectively, the “Purchaser/Developer”)
<b>Land/Property:</b>	<p>City of Jacksonville (“COJ”) to convey to Developer fee simple title three (3) City Owned Lots identified as Parcel ID #s: 073558-0000, 073561-0000, and 073560-0000 (the “Property”), totaling approximately 0.21 acres with approximately combined 85 feet of frontage on Duval Street E.</p> <p>The Property is depicted in the attached <b>Exhibit A</b> and is subject to a final survey.</p>
<b>Purchase Price:</b>	The three City-owned lots will be conveyed via Quitclaim Deed, in “as-is” condition, at no cost to the City or DIA.
<b>Restriction on Use:</b>	Use of the Property will be restricted to mixed-use housing and retail consistent with the adopted CRA Plan and BID Strategy for Downtown, including the Downtown Design Guidebook and the Neighborhood Branding Identity Guidelines, as well as the Downtown Overlay Zone, subject to any waivers or deviations as may be granted by the Downtown Development Review Board (“DDRB”). Per HTG’s request, the Property will be deed restricted to ensure that the Property will remain on the tax rolls and cannot be conveyed to a tax-exempt entity or file for tax-exempt status.
<b>The Project:</b>	<p>On the Property and adjacent land under contract to Developer (the “Project Parcel,”) Purchaser/Developer shall design and construct the subject property (the “Project”, aka the “Cathedral District Apartments”), the assemblage of which includes 0.21 acres of City-owned real property and 0.35 acres of real property that is currently under contract by CDJ to include the following (all dimensions and counts are approximate unless stated otherwise):</p> <ul style="list-style-type: none"><li>• Proposed approximately seven-story, integrated mixed-income residential and commercial/retail building as designed by PQH Group Design, Inc. (“PQH”).</li><li>• Any change in the design architect (PQH) or substantive changes</li></ul>

to the design as presented in the proposal require approval by the DIA CEO in their sole discretion.

- A structured parking garage on the first two levels estimated at approximately 33,300 square feet with 90 covered parking spaces, offering approximately one dedicated parking space per residential unit with available parking spaces for commercial tenants and property management staff.
- The Project will provide a total of 85 residential units, including:
  - A minimum of seventy-five (75) affordable units designed for households earning at or below 80% of the Area Median Income (AMI).
  - Ten (10) unrestricted market-rate units, supporting the expansion of Cathedral Hill's housing supply in response to ongoing investments and improvements in surrounding districts. Any reduction in the number of such unrestricted market-rate units shall require approval, in-writing, by the DIA CEO.
- Approximately 1,200 square feet of ground-floor commercial/retail space located at the corner of Newnan St. N. and Duval Street E.

**Performance Schedule:**

The Purchaser/Developer and DIA will enter into a Redevelopment Agreement ("RDA") to provide terms and conditions relating to the proposed development, including the Performance Schedule and an eligible Purchase and Sale Agreement (the "PSA") for the conveyance of the Property per guidelines set by the Florida Housing Finance Corporation ("FHFC") and the Jacksonville Housing Finance Authority ("JHFA") in order to be eligible to apply for applications released by FHFC and the JHFA. If chosen through the disposition process, the Purchaser/Developer and DIA will strive to complete negotiation and drafting of the RDA and all additional documentation, to include the PSA, as soon as possible following the end of the thirty (30) day Disposition Period in order to file legislation for approval by the Jacksonville City Council.

- The RDA will be executed within thirty (30) days of Council Approval.
- Commencement of Construction shall be within twelve (12) months following the Effective Date of the Redevelopment Agreement. Purchaser/Developer commits to commencement of construction, meaning receipt of all required approvals, permitting, and closing on all required financing to allow the start of construction activities

and has actually broken ground to begin work (the "Commencement Date").

- Substantial Completion shall be within twenty-four (24) months following the Commencement Date as defined above (the "Completion Date").

The DIA CEO will have the authority to extend this Performance Schedule, in the CEO's discretion, for up to six (6) months for good cause shown by Purchaser/Developer. Any extensions to the Commencement Date shall have the same effect of extending the Completion Date simultaneously.

**Right of Reverter:**

The disposition will contain a right of reverter clause in the event Purchaser/Developer fails to commence construction as required by the Performance Schedule subject to any extensions, cure periods, and force majeure events.



**Exhibit C to Resolution 2025-04-13  
Essential Terms of Disposition Notice**

1. Location: Approximately 0.21 acres consisting of three (3) City Owned Lots identified as Parcel ID #s: 073558-0000, 073561-0000, and 073560-0000 (the "Property"), with approximately 85 combined feet of frontage on Duval Street E between Newnan Street N and Market Street N.
2. Property Interest considered for disposition: Fee simple including air rights by Quitclaim Deed. Fee simple title, in "as is" condition, subject to any representations and warranties in the Redevelopment Agreement and also subject to covenants, easements, and restrictions of record, if any.
3. All proposals must include the entirety of the Property. Proposals for only a portion of the Property will not be considered.
4. Restriction on Use: Any use consistent with the adopted CRA Plan and BID Strategy for Downtown, including the Downtown Design Guidebook and the Neighborhood Branding Identity Guidelines, as well as the Downtown Overlay Zone, subject to any waivers or deviations as may be granted by the Downtown Development Review Board ("DDRB").
5. Proposals must include a cash purchase price offered, if any.
6. Uses proposed must return the parcels to a taxable status and the parcels will be deed restricted to prevent use that would be exempt from payment of property taxes and cannot be conveyed to a tax-exempt entity or file for tax-exempt status.
7. The disposition will contain a right of reverter clause in the event Purchaser/Developer fails to commence construction as required by an agreed upon Performance Schedule, subject to any extensions, cure periods, and force majeure events.

## **RESOLUTION 2025-06-01**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) ACTING AS THE DOWNTOWN ECONOMIC DEVELOPMENT AGENCY (“GRANTOR”) APPROVING THE AWARD OF AN AFFORDABLE HOUSING SUPPORT LOAN TO DUVAL 212, LLC (OR OTHER SUCH AFFILIATED ENTITY OF HOUSING TRUST GROUP, LLC (“HTG”) AND CATHEDRAL DISTRICT-JAX, INC. (“CD-J”)); TO FACILITATE DEVELOPMENT OF 85 MIXED-INCOME MULTIFAMILY HOUSING UNITS IN THE CATHEDRAL HILL NEIGHBORHOOD OF THE DOWNTOWN NORTHBANK COMMUNITY REDEVELOPMENT AREA OF DOWNTOWN JACKSONVILLE; AUTHORIZING THE CEO OF THE DIA TO NEGOTIATE A LOAN AGREEMENT WITH TERMS AS SET FORTH IN EXHIBIT A TO THIS RESOLUTION; AUTHORIZING THE DIA CEO TO EXECUTE SUCH AGREEMENTS; AND FINDING THAT THE PROVISION OF MIXED-INCOME HOUSING IN THE DOWNTOWN NORTHBANK CRA IS CONSISTENT WITH THE DIA’S BUSINESS INVESTMENT AND DEVELOPMENT PLAN, INCLUDING THE DOWNTOWN NORTHBANK CRA PLAN (“BID PLAN”); AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, HTG, an established affordable and mixed-income housing developer, and CD-J, a non-profit community advocacy organization, have formed a single purpose entity known as Duval 212, LLC (the “Developer”) for the purpose of developing a mixed-use, mixed-income project consisting of approximately 85 new multi-family apartment units for families, approximately 1,200 square feet of commercial space, approximately 90 parking spaces in an integrated structured garage, plus amenities, in the Cathedral Hill neighborhood of the Downtown Northbank CRA (the “Project”); and

**WHEREAS**, the Project will result in an investment of approximately \$36,400,000 for the construction of the mixed-use, mixed-income housing development and associated improvements which will increase the county ad valorem tax base over the useful life of the assets and will add to the residential tenancy options in Downtown Jacksonville; and

**WHEREAS**, the Developer is seeking an allocation of Low-Income Housing Tax Credits (“LIHTC”) from the Florida Housing Finance Corporation (“FHFC”) with a value estimated at more than \$25,500,000, under Request for Application 2025-202 Housing Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Lee, Orange, Palm Beach, Pinellas, and Polk Counties (“RFA”) Local Government Areas of Opportunity (“LGAO”) Funding Goal Large Counties program (or other such designation as may be issued by FHFC); wherein Duval County is an FHFC designated Large County; and

**WHEREAS**, the RFA permits the Jacksonville Housing Finance Authority (“JHFA”) to set the criteria and score the applications received for Duval County to be eligible to receive an allocation of LIHTCs under the LGAO Large Counties program; and

**WHEREAS**, the JHFA has issued a Notice of Funding Availability 2025-1 for LGAO Funding Loan Requests in Conjunction with FHFC RFA 2025-202 (the “NOFA”) which sets forth local government support loan criteria for consideration of scoring; and

**WHEREAS**, the 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**, to assist Developer in completing applications under the JHFA NOFA and the FHFC RFA and to maximize their application score to receive an allocation of LIHTCs to construct the mixed-use, mixed-income housing development and related improvements, the application for up to \$800,000 in financial assistance from the DIA is a contributing factor; and

**WHEREAS**, the proposed financing complies with program guidelines for the DIA Affordable Housing Support Loan Program as authorized by the update to the DIA BID Plan by ordinance 2022-0372E as approved by City Council on June 28, 2022; and

**WHEREAS**, the proposed Affordable Housing Support Loan will be funded from the DIA Northbank CRA Downtown Development Loan Funds account where sufficient fund balance for this proposal has been confirmed as available; and

**WHEREAS**, financial assistance to the Project will be in the form as detailed on the attached Exhibit “A” Term Sheet and in compliance with the requirements of the local government support loan as detailed in the JHFA NOFA and the FHFC RFA; and

**WHEREAS**, Developer was the winning bidder for the public disposition of three City owned lots integral to the proposed development plans as approved by the DIA Board in Resolution 2025-04-13 and as evidenced by Jacksonville Daily Record notice 25-02133D; and

**WHEREAS**, the proposed building height is approximately eighty-five feet on the westernmost end of the building and approximately seventy-five feet on the eastern end of the building to address the slope in the topography, surpassing the maximum height of sixty-five feet permitted by the Downtown Overlay Zone and Downtown District Use and Form Regulations provided in Subpart H of the Code of Ordinances, Chapter 656 Zoning Code, Part 3 Schedule of District Regulations (the “Downtown Overlay Zone Regulations”); and

**WHEREAS**, the Project complies with the City of Jacksonville’s implementation of the Live Local Act (Senate Bill 102, as amended by Senate Bill 328), and qualifies for the associated height and zoning benefits, but requires DIA as administrative owner of the Property on behalf of

the City of Jacksonville to appoint Developer, or its managing member, to act as designated agent in seeking application for land use amendment, rezoning, and/or other development permits for the subject Property and, in connection with such authorization, to file such applications, papers, documents, requests and other matters necessary to effectuate and pursue such requested change and/or development permit and including appearances before all City boards, commissions or committees on behalf of the application; and

**WHEREAS**, agrees to limit use of the Live Local authority to seek waiver of the height limitation imposed by the Downtown Overlay Zone Regulations to achieve the maximum height of seven stories and approximately eighty-five feet as outlined in the Developer prepared white paper attached hereto as Exhibit B; and

**WHEREAS**, the DIA finds that the proposed disposition and redevelopment proposal furthers the following Redevelopment Goal and Strategic Objectives found in the BID/CRA Plan:

**Redevelopment Goal 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 multifamily dwelling units per year, on average.
- 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.

**Redevelopment Goal No. 3:** Increase and diversify the number and type of retail, food and beverage, and entertainment establishments within Downtown.

**Strategic Objective:**

- 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.

**Redevelopment Goal 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 Objective:**

- 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.

**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 authorizes the CEO of the DIA to negotiate a Loan Agreement with the Developer, or an affiliate of the Developer substantially in accordance with the term sheet attached hereto as Exhibit A.


**Section 3.** The DIA hereby authorizes the CEO of the Downtown Investment Authority to execute such agreements.

**Section 4.** This Resolution, 2025-06-01, shall become effective on the date it is signed by the Chair of the DIA Board.

Witness

  
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**DOWNTOWN INVESTMENT AUTHORITY**

  
\_\_\_\_\_

Sondra Fetner, Esq., Chair

6/18/25

Date

VOTE: In Favor: 6 Opposed: 0 Abstained: 1 (CAMERON HOOPEL)



**Ex A - TERM SHEET**

**Project Name:** Duval 212

**Developer/ Applicant:** Duval 212 LLC  
(or other such affiliated entity of  
Housing Trust Group, LLC ("HTG")  
and Cathedral District-Jax, Inc. ("CD-J"))

**Total Development Costs (estimate):** \$36,400,000

**Equity (proposed):**  
Limited Partner via Low Income Housing Tax Credit investment \$27,517,000 (75.6% of TDC)  
General Partner via Deferred Developer Fee \$1,667,000 (4.6% of TDC)

**DIA Funding:** Affordable Housing Support Loan – not more than **\$800,000** (2.2% of TDC)

**Additional COJ Commitments:**

Infrastructure: No City of Jacksonville infrastructure improvements are contemplated.

Land: Developer was the winning bidder on the publicly noticed disposition of approximately 0.21 acres of city owned property as identified by Duval County tax parcel numbers RE# 073558-0000 (216 Duval St E), RE# 073561-0000 (222 Duval St E), and RE# 073560-0000 (228 Duval St E) with a combined appraised value of \$276,281.

City Funding: No further funding through the DIA or the City of Jacksonville is currently requested for this project, although the 1,200 square foot commercial space may be eligible for consideration of a Retail Enhancement Program incentive, dependent upon the type of business that leases that space.

**Affordable Housing Support Loan Terms (Proposed):**

Amount	Not to exceed \$800,000
Source:	Northbank CRA Downtown Development Loan Funds
Maturity:	20 years from date of funding
Interest Rate	3.00% interest rate
Payments:	Interest only, annually (per conditions outlined below)

The terms shown above are consistent with previous funding round requirements as provided by FHFC. As the RFA has not been released, the amount and terms may differ somewhat from what is proposed here. The amount is expected to be \$610,000; however, an additional amount is requested for approval subject to reduction to the actual amount required in the FHFC RFA. The loan shall be used for the construction of the proposed development and shall be paid in full by the Downtown Northbank CRA following completion of the development and the issuance of a Temporary or Final Certificate of Occupancy allowing for the intended use of the property, which in no event shall be later than 90 days

following the date the development is placed-in-service. Interest payments will be required semi-annually, and there will be no principal payments required during the term of the loan. The final principal balance of the note will be due at the end of the term or upon sale, transfer, or refinance of the project.

Eligibility for the Affordable Housing Support Loan requires adherence with the following minimum requirements:

1. The Developer/Applicant shall meet the minimum eligibility criteria as set forth in the related Jacksonville Housing Finance Authority ("JHFA") Notice of Funding Availability 2025-1 for Local Government Areas of Opportunity Funding Loan Requests in Conjunction with FHFC RFA 2025-202 ("NOFA") and the Florida Housing Finance Corporation ("FHFC") Request for Funding Applications 2025-202 Housing Credit Financing For Affordable Housing Developments Located in Broward, Duval, Hillsborough, Lee, Orange, Palm Beach, Pinellas, and Polk Counties ("RFA").
2. The Developer/Applicant must also make an application to the JHFA under its NOFA that will determine the Local Government Areas of Opportunity ("LGAO") Designation as further defined by FHFC in the RFA to meet the LGAO Funding Goal Large Counties program (or other such designation as may be issued by FHFC). If the name of the Designation as defined by FHFC shall change, this program shall then adopt the new name for such Designation that provides bonus points in the scoring rubric.
3. Only applications made for 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, and Developer commits to maintaining the taxable status of the Property throughout the compliance period of the loan documents.
5. The loan documents shall provide for the standard default provisions; and upon default, the loan shall accrue interest at the highest rate then permissible under Florida law from and after an event of default that remains uncured.
6. Each loan shall be evidenced by a promissory note in the full-face amount of the Local Government Support and secured in its entirety by a subordinate lien mortgage and shall include such other standard loan documents as necessary to evidence and complete the transaction.
7. Payment of 3% annual interest on the Affordable Housing Support Loan is subject to the availability of cash flow, generating interest income to the Downtown Northbank CRA estimated at \$18,300 to \$24,000 annually, with full repayment of principal and any accrued interest not later than the end of the 20-year term.
8. The Affordable Housing Support Loan may be partially repaid or repaid in full at any time without prepayment penalty.
9. 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 (subject to amendment).
10. Each recipient of a DIA 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.

Project Minimums to be eligible for funding of the Affordable Housing Support Loan:

- Minimum Capital Expenditure required on the Development shall be \$28,987,000. Such amount to include acquisition/land cost or value, hard construction costs, and soft costs typical for a development of this type which shall specifically exclude financing costs, reserves, and developer fee or related costs paid to either HTG or CD-J in fees or costs as a component of overall development costs.
- Completion and delivery of not less than 85 mixed-income multifamily housing units meeting the minimum set-aside requirements to be set forth in RFA 2025-202 (or other such designation as may be issued by FHFC).
- The unit mix shall include not less than five (5) one-bedroom units and not less than three (3) two-bedroom units at unrestricted market rates with an overall commitment of not less than ten (10) units provided at unrestricted market rate in any combination meeting the requirements set forth herein.
- Project Improvements to provide not less than 1,200 square feet of commercial space on the ground floor, with prospective tenancy targeted for retail uses.

Performance Schedule:

- Following the requisite approvals by JHFA and FHFC, and upon entering into a Loan Agreement to establish the "Effective Date," the Developer agrees to achieve all DDRB approvals and pull all required permits within twelve (12) months of that Effective Date. Commencement of Horizontal Improvements to occur within three (3) months of receiving permits, which then establishes the "Commencement Date," with construction to proceed to completion without interruption other than reasons of force majeure. *Note: FHFC guidelines provide up to 3 months for adjudication if protests are filed on awards as announced, followed by a formal underwriting period of up to 12 months. Further, FHFC Guidelines also contemplate an 18-24 month timeline for the completion and occupancy of developments. Final approval of FHFC shall be determined as the point where such protests or underwriting have passed or have otherwise been finalized.*
- The Developer further agrees to a Construction Completion Date of twenty-four (24) months from Commencement Date.
- The Redevelopment Agreement shall allow the DIA CEO to extend the performance schedule for up to six (6) months in his/her sole discretion for good cause shown by Developer.

Additional Limiting Conditions

This Term Sheet is limited by the following conditions:

- Downtown Investment Authority review of all development and construction timelines.
- The successful commitment and closing of construction/senior debt agreements and any private junior lien loan agreements and commitments.
- Evidence of marketable title by the Developer.
- Developer will limit use of Live Local agency and authority to seek waiver of height limitation restrictions found in the Downtown Overlay Zone Regulations as found in

Compliance with Live Local Act white paper provided by Developer found attached to this Resolution 2025-06-01 as Exhibit B .

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 B**

**Compliance with Live Local Act**

Duval 212, a proposed multifamily development by Duval 212, LLC (the “Developer”), complies with the City of Jacksonville’s implementation of the Live Local Act (Senate Bill 102, as amended by Senate Bill 328), and qualifies for the associated height and zoning benefits.

**Background on the Live Local Act (LLA):**

The Live Local Act, effective July 1, 2023, and amended May 16, 2024, offers regulatory relief for qualifying affordable housing developments within commercial, industrial, or mixed-use zones. Developments that reserve at least 40% of their units as affordable for a minimum of 30 years are entitled to by-right development provisions related to density, zoning, and building height. For mixed-use projects, at least 65% of the total square footage must be residential. The City of Jacksonville has provided their own guidelines for implementation of the Live Local Act which the Developer has listed its compliance with below and will be applying for approval under its described application process.

**Compliance Summary for Duval 212:**

**1) Rental and Affordability Commitments**

- a) Duval 212’s residential units will be a 100% for rent.
- b) 75 of 85 total units (88%) will be designated affordable, including:
  - i) 12 units for extremely-low-income households (≤30% AMI).
  - ii) 63 units for low-income households (≤80% AMI).
  - iii) The remaining 10 units will be unrestricted market rate units.
- c) The affordability period is in perpetuity, consistent with Jacksonville Housing Finance Authority (JHFA) funding terms.

**2) Zoning and Location**

- a) The project site is within the Cathedral District’s CCBD Zoning District, a qualifying mixed-use zone under the LLA.
- b) Duval 212 is not adjacent to any single-family residential zoning.

**3) Mixed-Use and Residential Square Footage Compliance**

- a) The development includes 1,200 SF of ground-floor commercial space and 10 associated parking spaces (approx. 1,905 SF).
- b) The remaining 106,259 SF will consist of residential units, amenities, and reserved residential parking.
- c) Approximately 97% of the total project square footage will be residential, exceeding the 65% residential use requirement.

**4) Height Eligibility Under the LLA (Provision d)**

- a) The Cathedral District’s CCBD zoning currently permits buildings up to 65 feet in height.
- b) Within one mile of the site, there is at least one zoning district with no height limit.
- c) Duval 212 will not exceed seven (7) stories at and will comply with airport height restrictions in Section 656, Part 10 of the Jacksonville Ordinance Code. Currently, Duval 212 is planned to be approximately 85’ in height.



**Conclusion:**

Duval 212 meets all statutory and local implementation criteria under the Live Local Act for zoning and height relief. The Developer is only seeking the Live Local benefit to build its community at 7 stories at approximately 85' to facilitate the development of this mixed-income and mixed-use community. The Developer intends to proceed with the application of these provisions to facilitate the development of this mixed-income, mixed-use community in the Cathedral District.

**LINK TO INFORMATION ON THE LIVE LOCAL ACT AND CITY OF JACKSONVILLE IMPLEMENTATION:**

<https://www.jacksonville.gov/departments/planning-and-development/current-planning-division/live-local-act>