

Council Auditor’s Office
2021-332: Baptist Convention & Federal Reserve Buildings

Project Summary:

- Renovation and rehabilitation of the former Florida Baptist Convention Building located at 218 W. Church Street (“Church Street”) and the former Federal Reserve Building located at 424 N. Hogan Street (“Hogan Street”)
- Church Street improvements consist of 24 residential units and a minimum of an aggregate of 5,300 square feet of restaurant/retail space on the ground floor and basement level
- Hogan Street improvements consist of 2 restaurant/retail spaces with an aggregate of 7,400 square feet, and two floors of event, commercial, retail or restaurant space consisting of 9,000 square feet in the aggregate
- The minimum total development cost (TDC) for the project is \$18,511,030 (including acquisition cost) with the following minimums by building:
 - \$10,816,066 for Church Street improvements
 - \$7,694,964 for Hogan Street improvements

City Incentives:

Building	Historic Preservation, Restoration, and Rehabilitation Forgivable Loan (HPRR)	Code Compliance Forgivable Loan (CCR)	DPRP Deferred Principal Loan	Total
Church Street	\$ 2,375,479	\$ 1,922,083	\$ 1,074,390	\$ 5,371,952
Hogan Street	\$ 1,221,151	\$ 1,377,743	\$ 653,474	\$ 3,252,368
Total	\$ 3,596,630	\$ 3,299,826	\$ 1,727,864	\$ 8,624,320

- The HPRR and CCR forgivable loans will be forgiven 20% annually over a five-year period
- The Deferred Principal loan requires interest payments with the principal repayment due at the earlier of the sale or refinance of the property or 10 years
- All loans will be paid upon completion of the project and may not exceed the limits set forth in the DPRP Guidelines

Performance Schedule:

- Commence construction of improvements for each building within 6 months of the effective date (by 7/20/21)
- Complete construction of improvements for each building within 24 months of commencement (by 7/20/23)
- The performance schedule may be extended by up to 6 months at the DIA CEO’s sole discretion

Clawbacks:

- If the TDC of either building falls beneath the minimums stated above
 - By 10% or less, the applicable DPRP Loans will be reduced in accordance with the DPRP Guidelines
 - By more than 10% but less than 25%, DIA staff will perform an analysis and recommend reduced loan amounts for approval by the DIA Board
 - By 25% or more, Developer shall be ineligible for the applicable DPRP Loans
- In the event reporting requirements are not met, DIA will be entitled to withhold further payments
- In the event all property, business and income taxes are not paid throughout the term of the agreement and DPRP Loan periods, DIA will be entitled to withhold further payments and all amortization or forgiveness on any outstanding DPRP Loans will cease until taxes are brought current
- In the event of a sale during the five year period following the date of disbursement of any DPRP Loan, Developer will repay the total amount of funds disbursed under the HPRR Loan and CCR Loan with respect to the portion of the project parcel sold, based on a sliding scale of 20% for each year
- In the event either building is not used as contemplated by the agreement or DPRP Guidelines at any time on or before the 5th anniversary of the last disbursement of funds to the Developer, and the use is not approved by the DIA Board, the full amount of funds paid plus all accrued but unpaid interest shall be due to the City
- If the Developer completes either the Church Street or Hogan Street building and DPRP Loans have been disbursed, but fails to complete the remainder of the project in accordance with the performance schedule, all outstanding DPRP Loans will become immediately due and all amortization will cease on any outstanding DPRP Loans

ROI:

- DIA has calculated the ROI as 0.50, which is the minimum requirement of the Downtown Preservation and Revitalization Program Guidelines