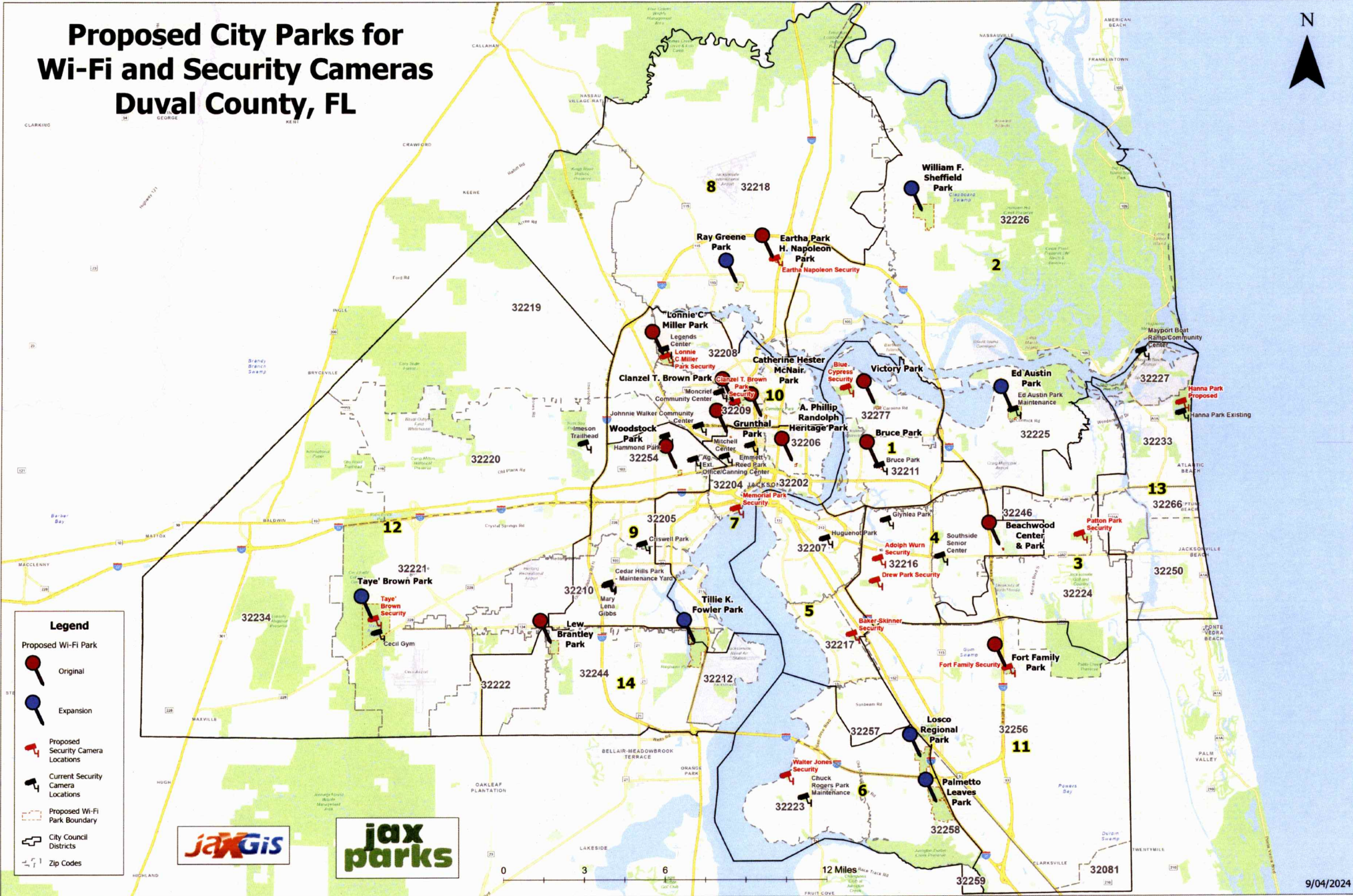


Proposed City Parks for Wi-Fi and Security Cameras Duval County, FL



Legend

- Proposed Wi-Fi Park
- Original
- Expansion
- Proposed Security Camera Locations
- Current Security Camera Locations
- Proposed Wi-Fi Park Boundary
- City Council Districts
- Zip Codes



Council Auditor’s Office
Bill 2024-748: River City Brewery/Related Group

Project Summary:

- Construction of:
 - Minimum of 390 Class A multi-family residential units
 - Ship Store with a minimum of 1,000 sq. ft. of retail space (minimum cost of \$490,000)
 - Waterfront restaurant with not less than 4,000 sq. ft. of heated/cooled space with additional outdoor dining
 - Parking Garage with a minimum of 550 parking spaces, 30 of which will be reserved in perpetuity for parking non-commercial vehicles by the City, its employees, patrons, or other designees, on a 24 hours/day, 7 days/week basis at no cost to the City
 - Riverwalk improvements consisting of a minimum 16’ wide paved pedestrian pathway roughly 187 linear feet in length conforming to the Riverwalk Design Guidelines (minimum cost of \$250,000)
 - Sidewalk improvements consisting of a minimum 7’ wide paver sidewalk beginning at the Riverwalk and running south to the front door of the Ship Store on the western edge of the project parcel
- Total estimated private capital investment of \$202,746,000 including acquisition cost
- Minimum required construction costs of \$173,597,000 including acquisition cost

City Incentives:

City Incentive	Amount	Anticipated Funding Source
Completion Grant*	\$39,000,000	General Fund
REV Grant (75%; 15 years)	\$19,798,000	Southside CRA & General Fund
Total	\$58,798,000	

*City will place funding in escrow and the escrow agent will disburse funds on a pari passu basis with Developer’s construction lender. Minimum Developer Equity of \$67,000,000 is required to receive Completion Grant.

Additional City Obligations:

- Grant of easements to Developer for construction (temporary), pedestrian and vehicular access to the loading area of the Parking Garage, and pedestrian access to the Riverwalk
- City will be subject to a restrictive covenant in favor of the Developer prohibiting the construction of vertical improvements greater than 6’ in height within the Riverwalk Parcel
- City will complete the reconstruction of the Bulkhead Improvements along the northern boundary of the Project Parcel
- Ten-year extension of the right of first refusal to Developer (previously authorized by Ord. 2021-253-E) for the purchase of the City-owned property currently occupied by MOSH

Additional Developer Responsibilities:

- Developer will make an annual contribution to the City of \$98,117 for a 30-year term (increasing by 2% annually) for maintenance of the St. Johns River Park and Friendship

Council Auditor's Office
Bill 2024-748: River City Brewery/Related Group

Fountain (note: Developer can apply their annual maintenance contribution towards the maintenance of the Riverwalk Improvements or Bulkhead Improvements should the City fail to fulfill its maintenance obligations under the Riverwalk access easement)

- Developer will provide the City with a payment guaranty whereby the guarantor shall repay the Completion Grant to the City if the Residential Improvements, the Parking Garage Improvements and the Riverwalk Improvements are not completed within two years of the completion date
 - The payment guaranty is capped at \$1 million if the Developer has obtained a certificate of occupancy for the Residential Improvements and the Parking Garage Improvements but not the Riverwalk Improvements)
- Developer will deed an approximately 4,201 sq. ft. parcel to the City for expansion of St. Johns River Park
- Developer will grant an easement to the City for installation of underground utilities and above ground fuel tanks to serve the marina

Performance Schedule (outside dates):

- 5/30/25 - Obtain final design approval
- 7/31/25 - Submit for all permit approvals to commence construction of horizontal improvements
- 12/15/25 - Commence construction of the horizontal improvements
- 4/30/29 - Substantially complete construction of the Project
- The Commencement of Construction Date and Completion Date may each receive an up to six-month extension by the DIA CEO and an additional six-month extension by the DIA Board
- Note: all outside dates shown above will be automatically extended on a day-for-day basis if the bulkhead improvements are not completed by the City by 4/1/25

Clawbacks:

- REV grant will be reduced by the corresponding amount if:
 - Developer fails to invest at least \$173,597,000 – reduced proportionately
 - Developer fails to invest at least \$156,237,300 – REV grant is terminated, and any amounts paid to the Developer will be repaid to the City
- The City may withhold payments of the REV Grant if reporting requirements are not met
- If the Project is not completed by the completion date above, subject to allowable extensions, the REV Grant shall be:
 - Reduced by 5 basis points (i.e. from 75% to 70%) for every two (2) month delay following the completion date, and
 - Forfeited if the Project is not substantially complete within two (2) years following the completion date
- The City has the right to repurchase the Project Parcel from the Developer at a cost of \$9,770,000 if the Developer fails to commence construction of the Residential Improvements and Parking Garage Improvements by the commencement of construction date

Council Auditor's Office
Bill 2024-748: River City Brewery/Related Group

- The City's repurchase right shall automatically terminate if 1) the Completion Grant is not funded into escrow by 12/1/25, 2) the redevelopment agreement is terminated prior to 12/1/25 through no fault of the Developer, or 3) the Developer has commenced construction of the Residential Improvements and Parking Garage Improvements in accordance with the redevelopment agreement

ROI:

- DIA has calculated the ROI as 1.13 over a 30-year period

Amendments

Bill

1. Include not to exceed amount \$39,000,000 for Completion Grant within Section 4 of bill

Redevelopment Agreement

1. 2.18 – Clarify Developer's annual contribution is for maintenance services of the St. Johns River Park and Friendship Fountain
2. 5.1 – Include minimum cost of \$250,000 for the Riverwalk Improvements
3. 7.2 – Revise frequency of Completion Grant draws to quarterly to reflect language within the Completion Grant Escrow and Disbursement Agreement
4. 11.1 – Correct JSEB goal amount to \$11,759,600
5. Exhibit Q –
 - a. Include requirement that Developer has met the minimum required Developer equity of \$67 million prior to any disbursement of the Completion Grant
 - b. Include requirement that Developer provide formal notification to DIA when a draw request has been submitted
 - c. Clarify Developer will be responsible for any Escrow Agent fees
6. Attach Construction Staging Temporary Construction Easement as a new exhibit
7. Correct scrivener's errors

**DOWNTOWN INVESTMENT AUTHORITY
COMMITMENT TRACKING REPORT
9/25/2024**

PROJECT (AS PREVIOUSLY APPROVED)	DIA RES	CITY ORD	ROI	FUNDED (Y OR N)	SOURCE OF FUNDING	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33	33-34	Total
Iguana/Kids Kampus/Shipyards (Completion Grant)	2022-09-01	2022-871	1.13	N	General Fund	\$ -	\$ 25,834,886	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,834,886
One Riverside - Restaurant Completion Forgivable Loan	2021-08-01	2021-796	1.18	N	General Fund	\$ 750,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 750,000
Union Terminal (DPRP)	2022-03-06	2022-319	0.81	N	General Fund	\$ 8,285,793	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,285,793
Home2Suites (DEDG)	2021-12-01	2022-316	1.34	N	General Fund	\$ 238,522	\$ 238,522	\$ 238,522	\$ 238,522	\$ 238,522	\$ 238,522	\$ 238,522	\$ 238,522	\$ 238,522	\$ 238,522	\$ 2,385,220
Central Nat'l Bank Historic (DPRP)	2022-07-02	2022-841	0.53	N	General Fund	\$ 5,814,697	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,814,697
525 W Beaver Street (DPRP)	2022-09-04	2023-268	0.71	N	General Fund	\$ 1,251,430	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,251,430
Jones Bros. (DPRP)	2023-05-03	2024-37	0.50	N	General Fund	\$ -	\$ 6,033,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,033,500
Greenleaf (DPRP)	2023-08-01	2024-36	0.60	N	General Fund	\$ -	\$ 4,969,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,969,900
Gateway N4 (Completion Grant)	2024-04-12	2024-0495	1.07	N	General Fund	\$ -	\$ -	\$ 6,844,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,844,000
Gateway N5 (Completion Grant)	2024-04-12	2024-0495	1.06	N	General Fund	\$ -	\$ -	\$ 1,906,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,906,000
Gateway N8 (Completion Grant)	2024-04-12	2024-0495	1.08	N	General Fund	\$ -	\$ -	\$ -	\$ 25,557,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,557,000
Gateway N11 (Completion Grant)	2024-04-12	2024-0495	1.06	N	General Fund	\$ -	\$ -	\$ 4,639,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,639,000
Rise Doro	2024-06-01	2024-633	1.01	N	General Fund	\$ -	\$ -	\$ 3,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000,000
SUBTOTAL (Future General Fund appropriation required)						\$ 16,340,442	\$ 37,076,808	\$ 16,627,522	\$ 25,795,522	\$ 238,522	\$ 238,522	\$ 238,522	\$ 238,522	\$ 238,522	\$ 238,522	\$ 97,271,426

Subject Legislation

PROJECT	DIA RES	CITY ORD	ROI	FUNDED (Y OR N)	SOURCE OF FUNDING	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33	33-34	Total
Related River City (<i>Appropriated and Escrowed</i>)	2024-05-05	2024-748	1.13	N	General Fund	\$ -	\$ 39,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,000,000
TOTAL FUTURE FUNDING THROUGH THE GENERAL FUND PROPOSED BY THIS LEGISLATION						\$ -	\$ 39,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,000,000
TOTAL FUTURE FUNDING THROUGH THE GENERAL FUND (Fully Approved plus Proposed by Subject Legislation)						\$ 16,340,442	\$ 76,076,808	\$ 16,627,522	\$ 25,795,522	\$ 238,522	\$ 238,522	\$ 238,522	\$ 238,522	\$ 238,522	\$ 238,522	\$ 136,271,426

NOTE: Although appropriated and placed in escrow in the 25-26 FY, the majority of that \$39M funding for the RD River City (Related) Project is not expected to be released into the project until subsequent years (Per the Developer: \$5,950,000 FY25/26, \$22,800,000 FY26/27, \$10,250,000 FY27/28)

Lines shaded in pink are subject to cancellation

Ordinance 2024-0748
Related Group Development (a/k/a RD River City Brewery, LLC)
AMENDMENT

Article 7.
Completion Grant

7.1 Completion Grant; Amount; Reduction in Completion Grant upon Substantial Completion.

The Developer shall be eligible for a completion grant ("Completion Grant") in the maximum amount equal to \$39,000,000, payable in accordance with this Agreement. The City's obligation to make the Completion Grant is subject to the terms and conditions of this Agreement. Prior to any disbursement of the Completion Grant, the Developer shall have provided documentation or required its senior construction lender for the Improvements ("Senior Construction Lender") to provide documentation to the DIA demonstrating Developer has disbursed and paid a minimum of \$60,000,000 of Developer Equity into the Capital Investment relating to the Project ("Developer Equity Requirement"). For purposes of clarity, in order to remain eligible for the maximum amount of incentives authorized by this Agreement, the minimum equity requirements and maximum incentive levels for High Rise developments established by DIA Resolution 2024-05-04 (the "Incentives Tests") must be maintained through the date of issuance of the temporary certificate of occupancy allowing for use of the Parking Garage Improvements and the Residential Improvements for their intended purpose (the "TCO"). Such Incentives Tests, to be conducted at the time of TCO, are (i) Completion Grant shall not exceed 25% of Qualifying Cost (as defined further below) (the "Hard Cost Test"), (ii) Completion grant shall not exceed 65% of Developer Equity (as defined in section 2.8), and (iii) the Completion grant plus Maximum Indebtedness of the REV Grant (as defined in Section 1.6) shall not exceed 100% of Developer Equity (as defined in section 2.8).

At the time of TCO, for purposes of applying the Hard Cost Test, the Completion Grant may not exceed 25% of the "Qualifying Costs". The Qualifying Costs include all items included in the Construction Costs (as defined herein section 2.7) paid to date excluding only the land acquisition costs, and further adjusted to add the following.:

- (a) retainage that has not yet been paid to the general contractor.
- (b) remaining unpaid Construction Costs (not including land acquisition costs) as provided in the construction lender documentation.

- (c) liquidated damages incurred and applied as a negative change order under the construction contract.

If Developer does not satisfy the Hard Cost Test at the time of issuance of the TCO, the Completion Grant will be reduced to the extent required to satisfy the Hard Cost Test. For example, if the Qualifying Costs required to satisfy the Hard Cost Test are \$156,000,000 and the actual Qualifying Costs (as adjusted herein) are \$156,000,000, the Completion Grant will be reduced by \$250,000 (i.e. 25% of the \$1 million in savings). Notwithstanding anything in this Agreement to the contrary, in the event a reduction in the Completion Grant is required pursuant to this Section 7.1 in an amount that requires a repayment of a portion of the Completion Grant already disbursed to the Senior Construction Lender (the "Completion Grant Overpayment"), the City may recapture such funds by withholding all or a portion of the balance of the Completion Grant held in the Completion Grant Escrow and Disbursement Agreement as necessary to satisfy the Completion Grant Overpayment in full. In the event the amount of the Completion Grant Overpayment is greater than the then available balance in the Completion Grant Escrow and Disbursement Agreement, the City may retain the entirety of the balance of the Completion Grant held in the Completion Grant Escrow and Disbursement Agreement, and may retain all REV Grant payments payable hereunder until the Completion Grant Overpayment is satisfied in full, at which time the balance of REV Grant payments remaining shall be paid in accordance with this Agreement. For purposes of clarity, the City's sole remedy for failure of the Developer to satisfy the Incentives Test shall be an adjustment in maximum amount of the Completion Grant to the level that would satisfy the Incentives Tests, and thereafter the City retaining all or a portion of the balance of the Completion Grant held in the Completion Grant Escrow and Disbursement Agreement and forfeiture of any REV Grant payments, in each case as necessary to fund any Completion Grant Overpayment.

7.2 Reduction of Completion Grant Prior to Commencement of Construction of Improvements.

At such time as the Developer has entered into a construction contract with its general contractor for the construction of the Improvements and Developer is prepared to issue a notice to proceed under said construction contract, Developer shall provide a copy of the construction contract to the DIA for review. In the event the contract amount under the construction contract plus all other items included in Qualifying Costs, as defined above, is equal to or less than \$147,444,300 (such amount being equal to a ten percent reduction in the Qualifying Costs), then the Completion Grant shall be reduced proportionately on a percentage basis. Should the Qualifying Costs increase during construction prior to TCO of the Residential Improvements and the Parking Garage Improvements, Developer shall remain eligible for the maximum \$39,000,000 of Completion Grant so long as it satisfies the Incentive Tests above.

2024-748

Amendment ____

The DIA is authorized to amend and restate the first two sentences of Section 7.2 of the RDA and the related provisions of the Completion Grant Escrow and Disbursement Agreement to read as follows:

The Completion Grant will be made available for funding after Commencement of Vertical Construction of the Improvements in accordance with the terms and conditions of this Agreement with the first draw made on a pari-passu basis with the Developer's senior construction lender (the "Senior Construction Lender") funds, not to exceed \$250,000. Thereafter, the Completion Grant will be funded on a pari-passu basis with the Senior Construction Lender funding, with payments made on a quarterly basis (no more than a single payment made by City in any three-month period). Pari passu calculations for City funding requests shall be based on actual payments made by the Senior Construction Lender, as supported by draw requests, inspection reports from a third-party inspector and the architect's certification of progress made or materials delivered, in proportion to the initial construction loan commitment evidenced in the executed loan documents between Developer and Senior Construction Lender.