

RESOLUTION 2019-05-03

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (THE "DIA") AUTHORIZING THE SALE OF DUVAL COUNTY TAX PARCEL 073794 0100 ("SITE") TO RYAN COMPANIES US, INC., IN ACCORDANCE WITH THEIR FINANCIAL OFFER OF APRIL 9, 2019 OF TWO MILLION SIX HUNDRED THOUSAND AND ZERO DOLLARS (\$2,600,000.00); INSTRUCTING THE CHIEF EXECUTIVE OFFICER TO TAKE ALL NECESSARY ACTION IN CONNECTION THEREWITH TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, DIA is the designated Community Redevelopment Agency for the North Bank CRA, to which a Community Redevelopment Plan was adopted by Ordinance 2014-560-E; and

WHEREAS, the City owns an approximately 1.52-acre parcel of undeveloped real property identified by Duval County Tax Parcel Number 073794 0100 ("Site"); and

WHEREAS, the DIA received an unsolicited offer to purchase the Site from Ryan Companies US, Inc., the general terms of which are attached hereto as Exhibit "A"; and

WHEREAS, in response to the aforementioned unsolicited offer, the DIA adopted Resolution 2019-04-01, instructing its Chief Executive Officer to have issued a 30-day notice for the solicitation of proposals pursuant to Section 163.380(3)(a), Florida Statutes, Section 122.434(a), Jacksonville Code of Ordinances, and Section 122.434(b), Jacksonville Code of Ordinances; and

WHEREAS, the 30-day notice period has been satisfied, resulting in no further proposals; and

WHEREAS, the DIA finds that this Resolution is consistent with and in furtherance of the North Bank and Southside Community Redevelopment Area Plans, and more specifically with the following Redevelopment Goal: and

Redevelopment Goal No. 1

Reinforce Downtown as the City's unique epicenter for business, history, culture, education, and entertainment, NOW THEREFORE

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BE IT RESOLVED by the Downtown Investment Authority:

Section 1. The DIA affirms that the aforementioned recitals are true and correct.

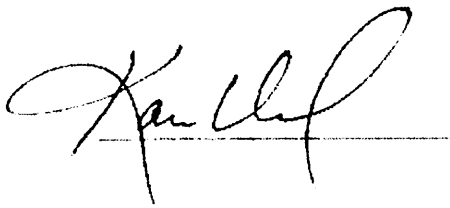
Section 2. The DIA approves the sale of the Site to Ryan Companies US, Inc., in accordance with their financial offer of April 9, 2019 of two million six hundred thousand and zero dollars (\$2,600,000) for fee simple title of the Site.

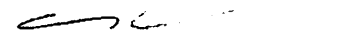
Section 3. The DIA instructs its Chief Executive Officer to take all necessary action to effectuate the purpose of this Resolution.

Section 4. The Effective Date of this Resolution is the date upon execution of this Resolution by the Chair of the Downtown Investment Authority.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY





Craig Gibbs, Vice Chairman

05-15-19
Date

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



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April 9, 2019

Brian Hughes, CEO
Downtown Investment Authority
117 West Duval Street, Suite 310
Jacksonville, FL 32202

Re: Proposal to Purchase City-Owned Property at 337 West Adams Street
Tax Parcel 073794-0100 (the "Property")

Mr. Hughes:

On behalf of our client, Ryan Companies US, Inc., a Minnesota corporation ("Ryan"), we have been authorized to submit this proposal to the Downtown Investment Authority ("DIA") in its capacity as the Downtown Community Redevelopment Agency ("CRA"). Ryan proposes to purchase the City-owned Property located at the northeast corner of North Pearl Street and West Adams Street within the North Bank Downtown Redevelopment Area pursuant to Section 163.380, Florida Statutes, and Section 122.434, City of Jacksonville Code of Ordinances (the "Proposal").

Proposed Project

The Property is located in the Central Civic Core (the "Civic Core") of the Downtown Overlay adjacent to Duval County Courthouse site. This neighborhood is meant to be Downtown's premier cultural and entertainment district. Among the objectives of the CRA and Civic Core in particular are the eradication of blighted areas, elimination of surface parking lots, and the provision of additional parking facilities for Downtown visitors and workers with a focus on strong pedestrian and urban design features.

In furtherance of these objectives and in keeping with the theme of the Civic Core, Ryan proposes to redevelop the Property as the new JEA corporate headquarters (the "JEA HQ"). This catalyst project in the heart of the Civic Core will transform an unattractive and nonconforming surface parking lot with a modern built-to-suit office while supporting JEA's continued growth. With space for approximately 760 employees, the JEA HQ keep the JEA employees and their customers in the Civic Core.

The new JEA HQ will enhance JEA's daily operations and organizational effectiveness, resulting in better service to customers and employees. Conveniently located with essential access to multiple forms of public transportation, the JEA HQ will provide customers with convenient and secure access to JEA services. Features include a customer service center, display areas for product and services, a bid receipt and opening office as well as bid meeting space. Utilizing state-

of-the-art design with a focus on wellness initiatives, the JEA HQ will support the efficient provision of JEA services by attracting and retaining an engaged service-oriented workforce. Highlights include a call center for more than 100 agents, flex space for a training center, and an auditorium that can be utilized as an emergency operations center, all designed with innovative safety and security features, a variety of work stations supporting individual and collaborative styles, and access to daylighting and outdoor spaces.

Consistency with CRA Plan

The JEA HQ furthers each of the established redevelopment goals of the Downtown CRA Plan.

Redevelopment Goal No. 1: Reinforce Downtown as the City's unique epicenter for business, history, culture, education, and entertainment. The JEA HQ will increase opportunities for Downtown employment throughout the redevelopment process and thereafter in ongoing operation of the facility. The JEA HQ will provide space for approximately 760 employees with design features specifically targeted toward attraction and retention of a dedicated workforce. It further includes a service center and bid processing space encouraging the public to visit the Civic Core to engage in business. Finally, the JEA HQ will eliminate an unattractive surface parking lot and establish new parking facilities.

Redevelopment Goal No. 2: Increase rental and owner-occupied housing Downtown, targeting key demographic groups seeking a more urban lifestyle. The expansion of job opportunities in the Civic Core fulfills one of the benchmarks required to achieve the broader goal of attracting more residents to the Downtown area. Adding density to the Civic Core further supports the establishment of neighborhood retail which is essential to the support of Downtown residents.

Redevelopment Goal No. 3: Simplify the approval process for Downtown development and improve departmental and agency coordination. The JEA HQ provides public land for development and enables Ryan to become a partner in fulfilling a key initiative for the JEA. It features a privately-developed office building which supports Downtown's commercial and residential base. The JEA HQ fosters alliances and relationships between governmental officials and staff by bringing JEA next door to City offices located in the Ed Ball Building and a short distance from City Hall.

Redevelopment Goal No. 4: Improve walkability/bike-ability and connectivity to adjacent neighborhoods and the St. Johns River while creating highly walkable nodes. The JEA HQ supports achievement of benchmarks for achieving this goal including increasing real estate value, providing private capital investment, increasing the number of observable pedestrians in the Civic Core which should have the added effect of increasing desirable street activity during and outside of business hours. The JEA HQ will bring an immediate influx of hundreds of employees and visitors encouraging an active street life, which, in turn, will create an environment of growth for other restaurant, retail and entertainment business Downtown.

Redevelopment Goal No. 5: Establish a waterfront design framework to ensure a unique experience and sense of place. The JEA HQ will keep approximately 760 employees in the Civic Core, maintaining the observed number of pedestrians, desirable street activity, and utilization of public open spaces and amenities such as the Riverwalk.

Redevelopment Goal No. 6: Maintain a clean and safe 24-7 Downtown for residents, workers, and visitors. The JEA HQ will improve the pedestrian experience at street level by eliminating an unsightly surface parking lot and replacing it with a building utilizing urban design principles including appropriate building transparency and lighting. The JEA HQ will promote a greater sense of activity and public safety by bringing approximately 760 employees and visitors to the area, which, in turn, will support and attract additional commercial, service, residential and transportation uses.

Redevelopment Goal No. 7: Use planning and economic development policies to promote design for healthy living. The JEA HQ puts people first with design considerations including access to daylighting and outdoor spaces, a focus on safety and security, and establishment of workspaces that facilitate a variety of styles including collaborative environments. The JEA HQ provides the public with enhanced access to services through its new customer service center and bid processing facilities, which are supported by new parking facilities and close proximity to a variety of public transportation options.

Ryan Experience and Ability to Complete JEA HQ

The JEA HQ will be constructed and owned by Ryan, a company founded in 1938 with sixteen offices nationwide including an office in Florida. Ryan has a strong track record of more than 30 million square feet of built-to-suit work with a full range of services including design, development, construction, finance, and management. In 2018, Ryan realized more than \$1.7 billion in revenue and has completed over 167 built-to-suit projects with a value of \$4 billion.

Ryan's build-to-suit utilities clients include MidAmerican Energy, Minnesota Energy Resources, Alliant Energy and Tuscon Electric Power. A sample of Ryan's representative projects are included in Appendix 1. Additional information regarding the company's history, leadership team, services, and past projects can be found at www.ryancompanies.com.

Ryan anticipates a loan-to-cost percentage of 80 to 85% for the JEA HQ and will fund the balance of the JEA HQ cost. A letter of reference from Wells Fargo expressing their interest in the JEA HQ and history with Ryan is included as Appendix 2. Further inquiries may be directed to Glenn Sansburn, Senior Vice President, at glenn.a.sansburn@wellsfargo.com and (612) 316-4148.

Financial Offer

Ryan offers Two Million Six Hundred Thousand and 00/100 Dollars (\$2,600,000.00) for fee simple title to the Property, payable at closing, pursuant to the terms and conditions detailed in the Letter of Intent attached as Appendix 3.

On behalf of the Ryan we appreciate the opportunity to provide this Proposal to complete this JEA HQ. Should you have any additional questions regarding this matter, please do not hesitate to call me at (904) 301-1269 or Cyndy Trimmer at (904) 807-0185.

Sincerely,



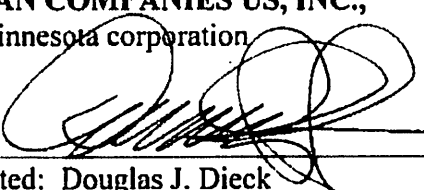
Steven Diebenow

cc: Mayor Lenny Curry
Council President Aaron Bowman
Aaron Zahn, CEO JEA
Ryan Companies US, Inc.

Agent Authorization


You are hereby advised that Douglas J. Dieck, as Executive Vice President of Ryan Companies US, Inc., a Minnesota corporation, hereby submits the attached Proposal and authorizes and empowers Driver, McAfee, Hawthorne & Diebenow, PLLC, to act as agent in connection with such Proposal and provides authorization to Driver, McAfee, Hawthorne & Diebenow, PLLC, to file such applications, papers, documents, request and other matters necessary in connection with such Proposal.

RYAN COMPANIES US, INC.,
a Minnesota corporation

By: 
Printed: Douglas J. Dieck
Its: Executive Vice President

STATE OF Florida
COUNTY OF Duval

Sworn and subscribed before me this 9th day of April, 2019, by Douglas J. Dieck, as Executive Vice President of Ryan Companies US, Inc., a Minnesota corporation, who is + personally known to me or has produced _____ as identification.


(Notary Signature)



Martena White
NOTARY PUBLIC
STATE OF FLORIDA
Comm# GG110381
Expires 5/31/2021