

**LEGISLATIVE FACT SHEET**

DATE: 03/02/21 BT or RC No: BT 21-064  
 (Administration & City Council Bills)

SPONSOR: Downtown Investment Authority (DIA)  
 (Department/Division/Agency/Council Member)

Contact for all inquiries and presentations: DIA

Provide Name: Steve Kelley

Contact Number: 904-255-5304

Email Address: skelley@coj.net

PURPOSE: White Paper (Explain Why this legislation is necessary? Provide; Who, What, When, Where, How and the Impact.) Council Research will complete this form for Council introduced legislation and the Administration is responsible for all other legislation.

(Minimum of 350 words - Maximum of 1 page.)

This legislation is filed to authorize a redevelopment agreement that will facilitate restoration and rehabilitation of a downtown historic landmark, the Old Bisbee Building at 51 W. Bay Street owned by Regions Bank. The agreement provides a commitment to the applicant for funding under the Downtown Preservation and Revitalization Program ("DPRP") in an amount not to exceed \$900,000 subject to satisfaction of terms and conditions. The DPRP was established under Ordinance 2020-527-E enacted 10/13/2020. The agreement allows the applicant, Regions Bank, to submit up to five requests for funding under this commitment over a five year period, not to exceed \$900,000 in total. Approval of each funding request will be underwritten by DIA staff in adherence with DPRP Guidelines, and authority for the approval of each advance under this commitment is proposed to be delegated to the DIA Board by this legislation.

Additional DIA funding in the amount of \$200,000 is provided as an Economic Development Grant (EDG), that may be funded in two advances of up to \$100,000 in FY 2020/2021, and \$100,000 (plus any amounts not advanced in the current FY) in FY 2021/2022. These amounts are structured as matching funds to offset costs incurred by Regions Bank in the sale of the surface parking lot at 54 W. Forsyth Street to VyStar for additional improvements to the garage to be constructed along Forsyth Street under a redevelopment agreement executed with the City July 15, 2020 as authorized by ordinance 2020-73-E. Regions has incurred and will continue to incur substantial legal fees in addition to other costs related to the planning, design, and implementation of the signage strategy to mitigate the impact of those changes. The applicant also anticipates significant costs related to the temporary parking requirements for employees and customers which will be eligible for reimbursement under the match funding terms of the agreement.

The Applicant is the property owner, Regions Bank, based in Birmingham Alabama, which purchased the subject property in 2014. Preservation and restoration of this historic property to a more original state with funding support from the DPRP is integral in helping maintain Regions Bank as an employer and property owner in Downtown Jacksonville. The EDG allows improvements to the design of the VyStar parking garage to provide retail on Laura Street and additional parking to that garage, both of which are beneficial to growth in the Central Core District of Downtown.

Funding under the DPRP will be structured as a combination of Historic Preservation Restoration and Rehabilitation Forgivable Loans (HPRR) and Code Compliance Forgivable Loans (CCR) Each funding advance will be documented independently with five year amortizations. Standard claw back provisions will be in place and no funds will be advanced prior to completion of the improvements contemplated by the application.

APPROPRIATION: Total Amount Appropriated: \$200,000.00 as follows:

List the source name and provide Object and Subject Numbers for each category listed below:

(Name of Fund as it will appear in title of legislation)

Name of Federal Funding Source(s):	From: _____ Amount: _____	To: _____ Amount: _____
Name of State Funding Source(s):	From: _____ Amount: _____	To: _____ Amount: _____
Name of City of Jacksonville Funding Source(s):	From: <u>Downtown Ec. Dev Fund Loans</u> Amount: <u>\$200,000.00</u>	To: <u>DEDF REGIONS Grant/Forgivable</u> Amount: <u>\$200,000.00</u>
Name of In-Kind Contribution(s):	From: _____ Amount: _____	

Name of Funding Contribution(s):	To:	Amount:
Name & Number of Bond Account(s):	From:	Amount:
	To:	Amount:

**PLAIN LANGUAGE OF APPROPRIATION / FINANCIAL IMPACT / OTHER:**

Explain: Where are the funds coming from, going to, how will the funds be used? Does the funding require a match? Is the funding for a specific time frame? Will there be an ongoing maintenance? ... and staffing obligation? Per Chapters 122 & 106 regarding funding of anticipated post-construction operation costs.

(Minimum of 350 words - Maximum of 1 page.)

Appropriation of funding for the \$200,000. Economic Development Grant is requested as a transfer from the Loans Program within the Downtown Economic Development Fund to Regions Economic Development Grant, a new activity within Grants. Funding of the forgivable loan components will require further appropriation by the Jacksonville City Council and will be sought after construction commences and the time frame for actual completion can be determined. It is anticipated that funding will be appropriated as part of the annual budget process for funds required in the following fiscal year. At the appropriate time, these funds will be appropriated to the Downtown Economic Development Fund, to the Regions activity within Forgivable Loans.

**ACTION ITEMS: Purpose / Check List. If "Yes" please provide detail by attaching justification, and code provisions for each.**

**ACTION ITEMS:**

Emergency?  Yes  No  
 Justification of Emergency: If yes, explanation must include detailed nature of emergency.

Federal or State Mandate?  Yes  No  
 Explanation: If yes, explanation must include detailed nature of mandate including Statute or Provision.

Fiscal Year Carryover?  Yes  No  
 Note: If yes, note must include explanation of all-year subfund carryover language.

The Economic Development Fund appropriation is within an all-years fund and will carry

CIP Amendment?  Yes  No  
 Attachment: If yes, attach appropriate CIP form(s). Include justification for mid-year amendment.

Contract / Agreement Approval?  Yes  No  
 Attachment & Explanation: If yes, attach the Contract / Agreement and name of Department (and contact name) that will provide oversight. Indicate if negotiations are on-going and with whom. Has OGC reviewed / drafted?

The Redevelopment Agreement was prepared by OGC and is on file. DIA will be responsible for contract oversight (John Crescimbeni, Finance and Compliance Manager).

Related RC/BT?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Waiver of Code?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Attachment: If yes, attach appropriate RC/BT form(s).

Code Reference: If yes, identify code section(s) in box below and provide detailed explanation (including impacts) within white paper.

Code Exception?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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Code Reference: If yes, identify code in box below and provide detailed explanation (including impacts) within white paper.

Related Enacted Ordinances?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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Code Reference: If yes, identify related code section(s) and ordinance reference number in the box below and provide detailed explanation and any changes necessary within white paper.

ACTION ITEMS CONTINUED: Purpose / Check List. If "Yes" please provide detail by attaching justification, and code provisions for each.

**ACTION ITEMS:**

	Yes	No
Continuation of Grant?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Explanation: How will the funds be used? Does the funding require a match? Is the funding for a specific time frame and/or multi-year? If multi-year, note year of grant? Are there long-term implications for the General Fund?

Surplus Property Certification?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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Attachment: If yes, attach appropriate form(s).

Reporting Requirements?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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Explanation: List agencies (including City Council / Auditor) to receive reports and frequency of reports, including when reports are due. Provide Department (include contact name and telephone number) responsible for generating reports.

The DPRP Forgivable Loans will only be disbursed after completion of the improvements, issuance of a Certificate of Occupancy, and the approval of the HPS of the Planning Dept. The EDG will be disbursed upon review of evidence demonstrating eligible expenses have been incurred by the applicant in an amount equal to or in excess of the amount requested.

Division Chief: *Lou Boyer*  
(signature)

Date: 3/3/2021

Prepared By: *Steve T. Kelley*  
(signature)

Date: 3/3/2021

**ADMINISTRATIVE TRANSMITTAL**

To: MBRC, c/o Roselyn Chall, Budget Office, St. James Suite 325

Thru: Brian Hughes, Chairman, Mayor's Budget Review Committee  
(Name, Job Title, Department)

Phone: 904-255-5012

E-mail: HughesB@coj.net

From: Steve Kelley, Director of Downtown Real Estate and Development, DIA  
Initiating Department Representative (Name, Job Title, Department)

Phone: 904-255-5304

E-mail: skelley@coj.net

Primary Contact: Steve Kelley  
(Name, Job Title, Department)

Phone: 904-255-5304 E-mail: skelley@coj.net

CC: Leeann Krieg, Director of Intergovernmental Affairs, Office of the Mayor  
904-255-5015 E-mail: leeannk@coj.net

**COUNCIL MEMBER / INDEPENDENT AGENCY / CONSTITUTIONAL OFFICER TRANSMITTAL**

To: Peggy Sidman, Office of General Counsel, St. James Suite 480  
Phone: 904-630-4647 E-mail: psidman@coj.net

From: Initiating Council Member / Independent Agency / Constitutional Officer

Phone: \_\_\_\_\_ E-mail: \_\_\_\_\_

Primary Contact: \_\_\_\_\_  
(Name, Job Title, Department)

Phone: \_\_\_\_\_ E-mail: \_\_\_\_\_

CC: Leeann Krieg, Director of Intergovernmental Affairs, Office of the Mayor  
904-255-5015 E-mail: leeannk@coj.net

Legislation from Independent Agencies requires a resolution from the Independent Agency Board approving the legislation.  
Independent Agency Action Item:

Boards Action / Resolution?  **Yes**  **No**

Attachment: If yes, attach appropriate documentation. If no, when is board action scheduled?

Executed DIA Resolution 2021-01-05

**FACT SHEET IS REQUIRED BEFORE LEGISLATION IS INTRODUCED**



# Downtown Investment Authority

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## MEMORANDUM

**TO:** Brian Hughes  
Chief Administrative Officer

**FROM:** Lori Boyer *Lori Boyer*  
Downtown Investment Authority, CEO

**SUBJECT:** Mayor's Budget Review Committee  
Region's Bank Jacksonville Headquarters

**DATE:** March 3, 2021

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### Summary

The Downtown Investment Authority ("DIA") seeks authorization to file legislation with the City to enter into a redevelopment agreement with Regions Bank for the rehabilitation and preservation of its corporate headquarters and to facilitate sale of its surface parking lot, the terms of which were approved as by the DIA Board as Resolution 2021-01-05 at its meeting held January 20, 2021. Resolution 2021-01-05 are attached as Exhibit "A" to this memorandum and its terms and conditions are summarized below.

### Summary of Terms:

- 1) Downtown Preservation and Revitalization Program (DPRP) Grant Commitment \$900,000
  - a. May be drawn in up to five draws over five years to support phased redevelopment activity.
  - b. Each advance requires underwriting by DIA Staff for adherence to the DPRP Guidelines including a COA for the scope of work prepared by the Historic Preservation Section of the COJ Planning and Development Department.
  - c. Approval for each advance will be delegated to the DIA Board and documented as stand-alone forgivable loans with standard claw back language.
  
- 2) Economic Development Grant \$200,000
  - a. Matching funds grant to offset costs associated with the sale of its surface parking lot to VyStar Credit Union so that the parking garage being constructed by VyStar along Forsyth Street may be enlarged to include retail space on Laura Street and increase the number of parking spaces.
  - b. Request for funding must be accompanied by receipts and other evidence of total costs incurred up to a minimum of \$400,000.

This legislation meets goals of the DIA BID Plan by reinforcing Downtown as the City's unique epicenter for business and history by the rehabilitation and preservation of a historic property in the National Historic District. Further, the expansion of retail space along Laura Street and creation of additional parking adds to the vibrancy of the area and contributes to the goal of increased residential growth and meeting the needs of Downtown employees.

If there are any questions regarding this matter, please refer them to Lori Boyer at 255-5301. Thank you

**Attachments:**

Legislative Fact Sheet

Exhibit "A" - DIA Resolution 2021-01-05 with Terms & Conditions

Redevelopment Agreement substantially in the Draft form attached. Negotiations to be finalized and RDA updated prior to filing the legislation.