

**Regional Food Bank of Northeast Florida, Inc.**

**Farmers Market and Resource Center**

**FY 2021-2022 City Grant Proposal Term Sheet**

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**Grant Recipient:** Regional Food Bank of Northeast Florida, Inc. (“Recipient” or “FNEFL”)

**Project Name:** Farmer’s Market and Resource Center (the “Project”)

**City Funding Request:** \$1,200,000.00

**Contract/Grant Term:** October 1, 2021 – September 30, 2023, with an option to renew for up to an additional 12 months (Project monitoring to continue for 5 years thereafter as described below).

**Any substantial change to this FY 2021-2022 City Grant Proposal Term Sheet (the “Term Sheet”) or the attached Project budget will require City Council approval.**

**PROJECT OVERVIEW:**

The proposed funding request is for the Recipient to renovate and redevelop a 26,000 square foot long-unoccupied building, it will become a commercial kitchen which will produce meals that can be distributed to those facing hunger in our community. The meals will be prepared as part of a job training program in conjunction with Goodwill and the restaurant community. The space created will include community cooking classes and a portion of the building will be dedicated to indoor vendors and small business incubation. A garden providing opportunities for community members to learn skills for use in their neighborhoods, will also be on site.

Furthermore, the Recipient will be taking over the operations of the adjacent Farmer’s Market. The vision is to establish the Jacksonville Farmer’s Market as the community hub for wholesale and retail sale of locally grown fruits and vegetables and seasonal produce providing a robust variety of foods that will serve residents, local restaurants, and institutions year-round.

**PROJECT SCOPE OF WORK AND DELIVERABLES:**

The Resource Hub building is located next to an already vibrant market in Jacksonville making it the perfect hub for economic and community development as well as connecting with local farmers, making healthy choices more accessible in our region, and convening and expanding the services available to the surrounding community.

The Resource Hub building proposed is a space directly adjacent to the Jacksonville Farmers Market on Beaver Street. Our experience with Project SHARE taught us the power of a prepared meal in dealing with food insecurity. It is proposed to use the building as follows:

- A commercial kitchen to train kitchen staff for restaurant owners who will help devise curriculum making graduates immediately desirable
- The same kitchen space can be used for community hands-on cooking demonstrations learning to use the unique and diverse offerings of the farmer’s market
- A community meeting space
- Potentially a breakfast/lunch “pay what you can” restaurant
- An indoor vendor/small business incubator space
- Collaboration space for partners to provide financial education to both incubators, unsophisticated market vendors and community members
- Flex space for wrap-around services to assist community
- Community/learning garden providing opportunities for neighborhoods to recreate in their own space

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The Recipient and its partners see potential in both the interior and the exterior. It is envisioned using the entire site to create a sense of place where healthy, nutritious food can be seen growing, is beautifully displayed and available for sale (using SNAP and Double Access Bucks for those that need it), and where healthy meals are prepared and made available using the same healthy offerings. And lastly, having a safe outdoor space for recreation is important for making this space a hub for community building beyond the efforts of the organizations that use the building itself.

**MATERIAL TERMS OF THE AGREEMENT:**

There shall be an executed grant agreement between the City and FNEFL incorporating the following specific terms and conditions, in addition to any other provisions, as required by the City's Office of General Counsel and the City's Office of Risk Management for terms related to insurance and indemnification.

- Funding by the City will be in the form of a grant. Terms are to be specified within the agreement.
- The agreement shall include certain performance requirements of FNEFL and clawback provisions for failure to continue to meet those requirements.
- All funding provided by the City shall be specifically expended for acquisition and capital "Improvements" which potentially includes design, permitting and construction of a greenhouse, build-out of teaching space, a market area, irrigation, parking area improvements, a greenhouse, a processing center, fencing and other miscellaneous exterior improvements.
- Documentation shall be provided by FNEFL verifying all expenditures were made for services associated with planning, design and construction of the Improvements as detailed in a scope of work and estimated cost proposal provided by FNEFL, which shall be approved in advance by the City.
- All planning, design and construction services shall be conducted by design professionals, construction companies and/or equipment and material suppliers licensed or certified to conduct business in the State of Florida and the City of Jacksonville.
- FNEFL shall be responsible for ensuring all federal, state or local permits, as may be necessary, are obtained prior to conducting any work.
- FNEFL shall be responsible for all coordination of the work and shall ensure inspection services as required by jurisdictional agencies, in addition to on-site periodic inspection provided by FNEFL during execution of the work.
- Funding by the City to FNEFL shall be provided on a reimbursement basis, conditioned upon the prior occurrence of the following:
  - a) FNEFL shall submit invoices from design professionals, contractors, or any other vendor, in addition to contractor's affidavits and/or receipts that are acceptable to the City.
  - b) FNEFL must furnish the City's Office of Economic Development ("OED") evidence satisfactory to the City that all applicable permits have been issued.
  - c) All work subject to the reimbursement has been inspected by the City.
  - d) All property taxes (if applicable) are paid in full at the time of any reimbursement.
- It is anticipated and acceptable to the City should FNEFL desire to submit periodic partial payment requests for reimbursement (minimum of \$50,000) for partially completed work and prior to final completion of all work.

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- The City shall be granted access to the FNEFL Project location upon reasonable notice to inspect the work in progress or the final work product.
- FNEFL shall maintain ownership or long-term lease of the land subject to the Improvements for the duration of the Agreement.
- FNEFL shall provide proof of payment with all reimbursement requests.
- At completion of the Project, FNEFL will be required to provide reporting to the OED on the continued operation of the Project for a 5 year period.
- FNEFL shall continuously operate and maintain the Improvements, not terminate the grant agreement, and maintain ownership or long-term lease of the land for a period of not less than 5 years. In the event FNEFL defaults on these covenants, FNEFL will be required to immediately refund the City’s investment (no interest accumulation) with a reduction of the City’s investment by twenty percent (20%) per year.
- The minimum overall Project cost shall be not less than \$2.0 Million.
- The City’s obligations shall not exceed the amount of \$1.2 Million (\$1 Million from the General Fund and \$200,000 from the Northwest Economic Development Trust Fund).
- Project completion shall be prior to September 30, 2023, with an option to extend for up to an additional 12 months.
- If the overall Project cost is less than \$2,000,000, there will be a reduction in the City’s overall contribution to the Project. The sliding scale will be as follows:

Total Project Cost	City Reimbursement Percent
\$2,000,000 plus	50%
\$1,700,000 - \$1,999,999	45%
\$1,400,000 - \$1,699,999	40%
\$1,200,000 - \$1,399,999	35%
Below \$1,200,000	0%

- Upon completion of the Project, if the City has disbursed funds in excess of the total amount due to FNEFL as a result of the adjusted reimbursement percentage for failure to meet the \$2,000,000 investment minimum, FNEFL will be required to repay any excess amount previously disbursed by the City.
- FNEFL shall pay all cost overruns/overages for the Improvements and the Project.
- The City Council Auditor’s Office shall have audit rights.

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**PROJECT COSTS/PAYMENT TERMS:**

The City will reimburse up to \$1,200,000 of the following rehabilitation and improvement expenditures in this grant.

Costs to Improve Site and Rehab Building	\$1,745,790
Walk-in Cooler and Freezer	155,000
Kitchen Equipment	400,000
Garden – Beds, Irrigation, etc.	40,000
Greenhouse	46,000
Equipment Storage & Supplies	13,210
Total Projected Costs	<u>\$2,400,000</u>

The request is for the City to pay for half of the total costs as a reimbursement grant. The funding will be through the General Fund, up to \$1,000,000. The balance of \$200,000 is to be funded from the Northwest Jacksonville Economic Development Fund. The total funding will be up to \$1,200,000.

**PROJECT IMPACT & REPORTING:**

Recipient will provide information on Project progress as well as sufficient expenditure detail in order to receive reimbursement. Furthermore, FNEFL will provide the City annual reports on the continued operation of the Project for 5 years after the final City disbursement.

**ADDITIONAL GRANT REQUIREMENTS AND CONDITIONS:**

Recipient's expenditure of City funds for the Project shall be subject to the terms and conditions of any contract entered into between the City and Recipient. Recipient shall use the City funds for the Project in accordance with the City Council approved Term Sheet and Project budget. The City's Office of Economic Development may amend this Term Sheet or the approved Project budget consistent with the Project's needs, provided that any substantial change to this Term Sheet or the approved Project budget will require City Council approval.