

LEGISLATIVE FACT SHEET

DATE: 01/17/17

BT or RC No: _____
(Administration & City Council Bills)

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

Contact for all inquiries and presentation _____

Provide Name: Tom Daly

Contact Number: 630-3572

Email Address: tdaly@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.)

The Developer of 200 Riverside has changed the manner and method of construction of the project and subsequently the design of the project has changed as well. The Redevelopment Agreement (the "RDA"), which was executed and dated July 21, 2015, was for 223 units of rental housing and 18,000 square feet of retail space. The RDA included as a financial incentive a REV Grant of 75% for 20 years; not to exceed \$7,000,000.

The DIA has previously approved a modification to the RDA, via DIA Resolution 2016-02-01, which in an effort to reduce the costs of the project reduced the number of units to be constructed from 223 to 190, and also reduced the square footage of retail space to be constructed from 18,000 square feet to 16,000 square feet.

Through an in depth financial analysis of the new project, which reflects a significant increase in development costs, and through negotiations with the Developer DIA Staff has come to an agreement with them on the terms listed below.

The Developer, a subsidiary of Hallmark Partners, has proposed the following material changes to the Redevelopment Agreement:

- (i) the number of residential units shall be increased from 190 to 295; and
- (ii) (ii) the square footage of the retail space shall be reduced from 16,000 to 12,750; and
- (iii) (iii) to change the name of the developer entity and REV grant counterparty to HP-BDG 200 Riverside, LLC; and
- (iv) the REV Grant shall be for 62.5% of the incremental increase in the county portion of the ad valorem taxes generated from a required minimum capital investment of \$50,000,000 for a period of twenty years, in a cumulative amount not to exceed \$9,000,000

Approved by the DIA via Resolution 2016-12-02.

APPROPRIATION: Total Amount Appropriated _____ as follows:
 List the source name and provide Object and Subobject 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: _____	Amount: _____
	To: _____	Amount: _____
Name of In-Kind Contribution(s)	From: _____	Amount: _____
	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.)

Funding will come from the Northwest TID (SF 183) of the Combined Northbank CRA. The project will rebate 62.5% of the City County portion of the Ad Valorem taxes generated by the project (the City/County portion only). Amounts will be budgeted out of the Northwest TID (SF 183) annually. As the project only rebates a portion of the taxes generated the overall net effect of the project enhances the financial projections for the Northbank Combined TIF in the years to come. The project is estimated to generate \$14.55 million over a twenty year period, while the maximum cumulative payments for the project are \$9.00 million. Payments are estimated to begin in FY 2019 or later depending on the completion date of the project.

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?

Note: If yes, note must include explanation of all-year subfund carryover language.

All TID funds carry over from year to year. This project will be funded from the NorthWest TID (SF 183)

CIP Amendment?

Attachment: If yes, attach appropriate CIP form(s). Include justification for mid-year amendment.

Contract / Agreement Approval?

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?

DIA will have oversight of the Redevelopment Agreement. OGC has reviewed

Related RC/BT?

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

Waiver of Code?

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

Waiver of Public Investment Policy authorized by 2016-382-E.

Code Exception?

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

Related Enacted Ordinances?

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.

Modification to Redevelopment Agreement approved under 2014-748-E.

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?

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?

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

Reporting Requirements?

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

Division Chief: _____
(signature)

Date: _____

Prepared By: _____
(signature)

Date: _____

ADMINISTRATIVE TRANSMITTAL

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

Thru: Aundra Wallace, CEO, Downtown Investment Authority

(Name, Job Title, Department)

Phone: 630-3448

E-mail: Awallace@coj.net

From: _____

Initiating Department Representative (Name, Job Title, Department)

Phone: _____

E-mail: _____

Primary Contact: Tom Daly, Redevelopment Analyst, DIA

(Name, Job Title, Department)

Phone: 630-3572

E-mail: tdaly@coj.net

CC: Allison Korman Shelton, Director of Intergovernmental Affairs, Office of the Mayor

904-630-1825 E-mail: akshelton@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: Allison Korman Shelton, Director of Intergovernmental Affairs, Office of the Mayor

904-630-1825 E-mail: akshelton@coj.net

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

Independent Agency Action Item: Yes No

Boards Action / Resolution?

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

DIA Resolution 2016-12-02.

FACT SHEET IS REQUIRED BEFORE LEGISLATION IS INTRODUCED