

LEGISLATIVE FACT SHEET

DATE: 04/16/18

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

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

Contact for all inquiries and presentations: _____

Provide Name: Guy Parola

Contact Number: 630-3448

Email Address: gparola@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 Downtown Investment Authority, through MBRC, seeks to file legislation to effectuate a lease with the North Florida Land Trust ("NFLT") for the former Brewster Hospital building as well as approximately 0.47 acres of land ("Property"), as more fully identified by Exhibit 'A' to the proposed lease agreement. The DIA received an unsolicited proposed from the NFLT for lease of the Property for use as their office, which prompted DIA to issue a 30-day's notice of solicitation for disposition of the Property, as required by sec. 163.380, Florida Statutes, as well as Jacksonville Code of Ordinances sec. 122.434. After receiving no further proposals, DIA, in conjunction with the Office of General Counsel, negotiated the attached Lease Agreement, which has been approved by both the NFLT Board of Directors on January 16, 2018, and the DIA Board on January 17, 2018 via Resolution 2017-10-02 (attached). In February 2018 via Resolution 2018-02-06, the DIA Board approved an expenditure of up to \$50,000 towards the development of on-site parking to serve Brewster Hospital.

Initial Term: Five (5) years.
Initial 5-Year Lease Fee: \$71,100.00 calculated as monthly installments \$5,925.00.
Lease Fee Abatement: In consideration for funding and constructing those improvements necessary for tenancy (e.g., ADA, off-street parking, etc.), NFLT shall be eligible to receive an annual credit against the Lease Fee in the amount of up to \$71,100.00, with a total maximum aggregate lease abatement of \$350,000.00, plus accrued interest thereon calculated at the 5-year Treasury Rate plus 3%. The lease fee abatement is limited to the initial five (5) year term. All improvements require approval and inspection by the City. **Note: The DIA will contribute up to \$50,000.00 towards the construction of on-site parking. This \$50,000 is in addition to the \$350,000 lease abatement maximum.**

Renewal Terms: Two additional, consecutive five year periods.
First Renewal Lease Fee: \$71,100.00 calculated as monthly installments \$5,925.00.
Second Renewal Lease Fee: The then current market lease rate as determined by a Florida State Certified Appraiser at the time of exercising the second renewal period.

Taxes and Other Charges: NFLT shall be solely responsible for all taxes, assessments, and fees of any kind relating to the Property or Tenant's use thereof.

Brewster and Community Nurses Association: An area within the building's first floor will be designated to house an exhibit memorializing the history of Brewster Hospital. That area will be available to the Brewster and Community Nurses Association for meetings and events at no charge.

Tenant Maintenance, Repairs and Utilities. All utilities for the Property, including but not limited to electrical, water, sewer, janitorial, pest control, site and landscape maintenance and security shall be at the sole cost and expense of Tenant. Tenant

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.)

Lease Funds:
Pursuant to sec. 122.434, all proceeds from the sale or disposition of public property within downtown shall be deposited in the Redevelopment Special Revenue Fund of the Downtown Investment Authority, as created in Section 111.640, Ordinance Code. For the initial 5-year term, the NFLT shall be eligible to receive an annual credit against the Lease Fee in a lease abatement amount of up to seventy-one thousand one hundred and zero dollars (\$71,100.00), with a total maximum aggregate lease abatement of three hundred and fifty thousand dollars (\$350,000.00), plus accrued interest thereon calculated at the 5-year Treasury Rate plus three percent (3%). The lease fee abatement is limited to the initial five (5) year term. Beginning on the second 5-year term, the annual lease amount shall be determined by a Florida State Certified Appraiser at the time of exercising the renewal period.

DIA Funds Towards Parking:
DIA approved Resolution 2018-02-06 appropriating the expenditure of up to \$50,000 for the development of an on-site parking area, payable to the tenant upon submittal of a completed Disbursement Request Form and evidence that the costs and expenses were incurred and paid for by the Tenant. The funds are from Project ID: PW0267-02.

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

ACTION ITEMS: **Yes** **No**

Emergency? Justification of Emergency: If yes, explanation must include detailed nature of emergency.

Federal or State
Mandate?

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.

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?

OGC drafted the agreement. DIA will maintain oversight in coordination with the Chief of Real Estate. Lease Agreement attached. Terms and Conditions approved by both DIA Board and North Florida Land Trust Board of Directors.

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.

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.

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?
Reporting Requirements?

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

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: *Aundra C. Wallace*
(signature)

Date: 4/16/2018

Prepared By: *Guy Parola*
(signature)

Date: 4/16/2018

ADMINISTRATIVE TRANSMITTAL

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

Thru: Aundra Wallace, CEO, DIA
(Name, Job Title, Department)

Phone: 630-3487

E-mail: Awallace@coj.net

From: Guy Parola

Initiating Department Representative (Name, Job Title, Department)

Phone: 630-3448

E-mail: gparola@coj.net

Primary Contact: Guy Parola
(Name, Job Title, Department)
Phone: 630-3448 E-mail: gparola@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?

Resolution 2017-10-02; Resolution 2018-02-06