

## **RESOLUTION 2018-09-10**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY AUTHORIZING THE CHIEF EXECUTIVE OFFICER (THE “CEO”) TO NEGOTIATE AN AMENDMENT TO THE ECONOMIC DEVELOPMENT AGREEMENT AUTHORIZING A MARKET RATE MULTI-FAMILY HOUSING RECAPTURE ENHANCED VALUE GRANT (“REV GRANT”) BETWEEN THE DOWNTOWN INVESTMENT AUTHORITY AND VENTURES DEVELOPMENT GROUP, LLC; AUTHORIZING THE CEO OF THE DOWNTOWN INVESTMENT AUTHORITY TO EXECUTE SUCH AGREEMENT; PROVIDING AN EFFECTIVE DATE.**

**WHEREAS,** Southbank Apartment Ventures, LLC (“Ventures” or the “Developer”) currently have the property commonly known as the Hines property with a street address of 0 Prudential Avenue, located within the boundaries of the Southbank CRA, under contract for purchase; and

**WHEREAS,** the Developer proposes to build a residential apartment complex on the site located at 0 Prudential Avenue. The new proposed rental apartment facility will include 300 residential rental units. Collectively the project will result in the investment of approximately \$62.3 million for the construction of the rental apartment facility and associated improvements; and

**WHEREAS,** the DIA Board approved such a REV Grant via Resolution 2017-01-02 for a term of 15 years and in an amount not to exceed \$7,880,000; and

**WHEREAS,** prior to the start of certain pre-development actions neighboring property owners appealed the plan approval of the Downtown Design Review Board (the “DDRB”) to the DIA, and up DIA affirmation of the DDRB decision to the Jacksonville City Council, and ultimately filed a lawsuit in Court ; and

**WHEREAS,** the Developer and the neighboring property owners have now entered into a settlement agreement which will allow a modified version of the project to commence; and

**WHEREAS,** the proposed modified project now consist of 185 apartment units; and

**WHEREAS,** the modified project will result in increased private capital investment totaling \$44.8 million in real property, will increase the county ad valorem tax base over the useful life of the assets and meets the existing CRA Plan Multi-family REV Grant guidelines; and

**WHEREAS,** to assist Ventures, or a to be formed subsidiary, to increase the amount of residential units in Jacksonville will require financial assistance from the Downtown Investment Authority; and

**WHEREAS**, to assist Ventures, or a to be formed subsidiary, to increase the amount of residential units in Jacksonville the DIA determines the entire Southbank CRA to be a Strategic Housing Area as defined in the BID Plan; and

**WHEREAS**, the Downtown Investment Authority ("DIA") is authorized per section 55.108 *Economic Development* of the City Ordinance Code, to utilize the Tax Increment Finance District Trust Funds to foster the redevelopment of the Downtown Southbank Community Redevelopment Area; and

**WHEREAS**, the Downtown Investment Authority ("DIA") is authorized per section 55.108(8)-(9)(b) *Economic Development* of the City Ordinance Code, to implement the BID Plan, grant final approval of redevelopment agreements, without further action of Council, in furtherance of the BID Plan; and

**WHEREAS**, DIA is proposing a REV Grant up to 75% of the incremental increase in the county portion of ad valorem taxes generated from their proposed private capital investment of up to \$44.8 million for Twenty (20) years not to exceed \$7,810,000; and

**WHEREAS**, the REV Grant annual payments will be funded through the Southside Tax Increment Finance District Trust Fund; and

**WHEREAS**, the proposed City of Jacksonville REV Grant incentive is a material factor in assisting Ventures, or a to be formed subsidiary, to expand its residential rental capacity in Jacksonville within the Southbank of downtown, NOW THEREFORE

**BE IT RESOLVED**, by the Downtown Investment Authority:

**Section 1.** The DIA finds that the recitals set forth above are true and correct and are incorporated herein by this reference.

**Section 2.** Authorizing the CEO to negotiate an amendment to the Economic Development Agreement, authorizing the REV Grant as described above.

**Section 3.** Authorizing the CEO of the Downtown Investment Authority to initiate legislation before the Jacksonville City Council for approval of said agreement subject to the terms as described above.

**Section 4.** Authorizing the CEO of the Downtown Investment Authority to execute said agreement subject to the terms as described above.

**Section 5.** This Resolution, 2018-09-10, shall become effective on the date it is signed by the Chair of the DIA Board.

[SIGNATURES ON FOLLOWING PAGE]

WITNESS:

**DOWNTOWN INVESTMENT AUTHORITY**

\_\_\_\_\_

\_\_\_\_\_

James Bailey, Chairman

\_\_\_\_\_

Date

VOTE: In Favor: \_\_\_\_\_ Opposed: \_\_\_\_\_ Abstained: \_\_\_\_\_