

City of Jacksonville

117 W Duval St
Jacksonville, FL 32202



Meeting Minutes

Thursday, January 6, 2022

9:00 AM

Lynwood Roberts Room, 1st Floor, City Hall

Special Committee on Downtown Development

Council Member Reggie Gaffney, Chair

Council Member Aaron Bowman

Council Member LeAnna Cumber

Meeting Convened: 9:02 am Meeting Adjourned:10:19 am

Attendance:

Committee Members Gaffney (Chair), Cumber and Bowman

**Also: CVP Newby; CVP Freeman;CMs Pittman, Carrico and
Boylan; Colleen Hampsey, Council Research**

Agenda Discussion

Council President Newby welcomed the group and mentioned how important downtown growth is to the city overall.

Chair Gaffney called for introductions, and then asked the Jacobs Group to begin their presentation.

Bill Kestelik, Jacobs Group, presented their vision for a convention center adjacent to the Hyatt Hotel on the downtown riverfront. This proposal was the highest scored of three projects in 2018 in response to a DIA request for quotes (RFQ), but it was eventually determined that the timing wasn't right for a new convention center.

Mr. Kestelik said that if constructed, the convention center could attract 200,000 visitors annually, and bring \$200 million to the local economy. He indicated that the Hyatt is on board as a partner, and that now is a good time for construction in light of low interest rates. Mr. Kestelik said that the convention center would be a catalyst for downtown development and that it would create 6000 jobs, 1400 of which would be permanent. He described their funding strategy, which included a 3 year deferral on City contributions and a 2 phase non-debt structure.

Tom Rensing, KBJ Architects, spoke further about the design and impact of the convention center. He emphasized the significance of the center's riverfront location and partnership with the Hyatt which has the requisite number of rooms deemed appropriate for conventions (900 plus rooms). Mr. Rensing said that the center would be walkable to 45 shops and restaurants, and that the additional downtown visitors would enable lunch only restaurants to operate full time. He also talked about the competition among other convention center locations, and said that Savannah and Austin are increasing the size of their facilities. Mr. Rensing noted the consideration for resiliency in the design, which is elevated above street level to prevent flooding. The design also includes a marina, park plaza and potentially a 46 story multi-purpose tower with retail and apartments (in conjunction with an unnamed South Florida developer). Mr. Rensing estimated that the convention center would bring in twice the ROI of the Jaguars, and could create a jobs ripple effect 3-5 fold in the area.

Questions and Comments from Council Members:

CM Bowman said that the timing isn't right for a new convention center and that when the time is right it will go through the conventional procurement process with an RFP and not be a response to an unsolicited proposal.

CM Cumber said thank you to the Jacobs Group for the presentation.

CP Newby asked if there is flexibility in the location, and it was said that the location is ideal due to the proximity to the right sized hotel. Mr. Rensing mentioned a report from 2017 by the Strategic Advisory Group (SAG) for DIA that corroborated the importance of hotel proximity.

CVP Freeman spoke about the balance between equity and growth, and the importance of job creation. He also said he would defer to DIA and Ms. Boyer's assessment of this project, and asked about how it could proceed without asking for City funds.

Mr. Rensing said that there would be some costs in phase one and that construction

costs would come from an undisclosed funding agency. He also mentioned an increased bed tax that Dallas is using to pay for their convention center enhancements. CM Boylan asked why here and why now. Mr. Rensing spoke about the low interest rates currently and the existing demand of the competitive convention market that is bouncing back from the effects of the pandemic.

CM Pittman asked about jobs for local residents and the use of JSEB contractors.

CP Newby asked what other cities have NFL teams but no convention center. Mr. Rensing said it is just Jacksonville that has one but not both.

CM Gaffney said he thinks the timing is right for such a project.

CM Carrico said he would defer to Ms. Boyer for her view on how this project fits into the DIA's overall vision for downtown development.

Lori Boyer, DIA, said that her ability to speak freely about this proposal was limited due to a current open procurement for the property in question, to be awarded January 19th. She referenced the aforementioned SAG feasibility report, which linked convention centers and large hotels but also said that Jacksonville had to improve the overall downtown experience before considering a convention center that would be competitive in the market. Ms. Boyer suggested that council research could review the SAG report if desired, and that the council auditor should review the non-debt funding structure, which she likened to a similar agreement with MBS Parking wherein the City was responsible for debt service. Ms. Boyer clarified that the City's share of the bed tax is already promised to the stadium and is not available for use for a convention center. Ms. Boyer said that although this project was the highest scoring in 2018, DIA voted not to proceed because downtown needed more development/entertainment venues before a convention center would be feasible.

CM Gaffney asked when she thinks it will be feasible. Ms. Boyer said maybe 5-10 years, depending on a variety of factors, and that the DIA Master Plan will be out in February and it will reflect the status and timelines for the multiple ongoing downtown projects.

Public Comment:

Greg Morris spoke about the growth on the Northside near the airport and how a convention center would increase visitation to the city.

Carnell Oliver spoke in support of Ms. Boyer, and talked about the need for well paying jobs, not low wage ones, and the effects of inflation.

Mr. Nooney talked about public access to the waterways.

Bill Killingsworth, Director Planning and Development, was slated to share a presentation but was rescheduled to the next meeting.

Minutes: Colleen Hampsey, Council Research

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Posted: 1.11.2022 5:00 pm