

DOWNTOWN INVESTMENT AUTHORITY

2022-871
IGUANA
Lunch & Learn

December 12, 2022

2022-871 Lunch & Learn Agenda

12.12.22

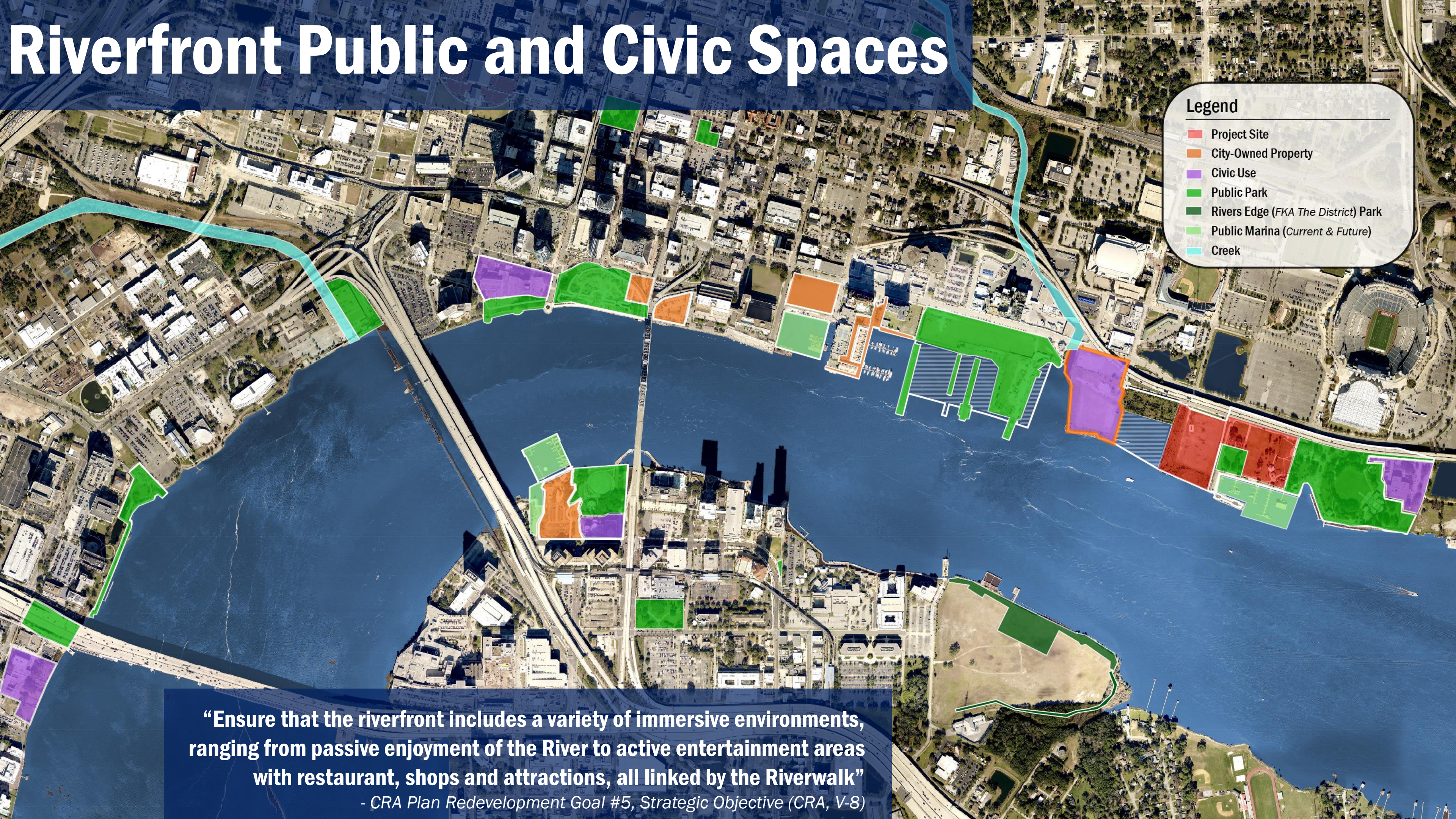


1. The Site In Context
2. The Development
3. Office Parcel Sale
4. Changes in Deal Structure & Incentives
5. Easements
6. City Protections
7. Public Benefits



1. THE SITE IN CONTEXT

Riverfront Public and Civic Spaces



Legend

- Project Site
- City-Owned Property
- Civic Use
- Public Park
- Rivers Edge (FKA The District) Park
- Public Marina (Current & Future)
- Creek

“Ensure that the riverfront includes a variety of immersive environments, ranging from passive enjoyment of the River to active entertainment areas with restaurant, shops and attractions, all linked by the Riverwalk”

- CRA Plan Redevelopment Goal #5, Strategic Objective (CRA, V-8)

LEGEND

- Project Site
- Private Development
- Public Park/Marina
- City Partnership Project

RP SOCCER

FAIRGROUNDS

MILLER ELECTRIC CENTER

THE HARDWICK
AT FORD ON BAY

DORO

SHIPYARDS WEST PARK

LIBERTY BASIN MARINA

USS ORLECK

MOSH

PROJECT SITE

METROPOLITAN PARK
Renovations in Design

AR POLAR AND NEW FIRE STATION SITE





SHIPYARDS WEST PARK

USS ORLECK

MOSH

FUTURE DEVELOPMENT PARCEL

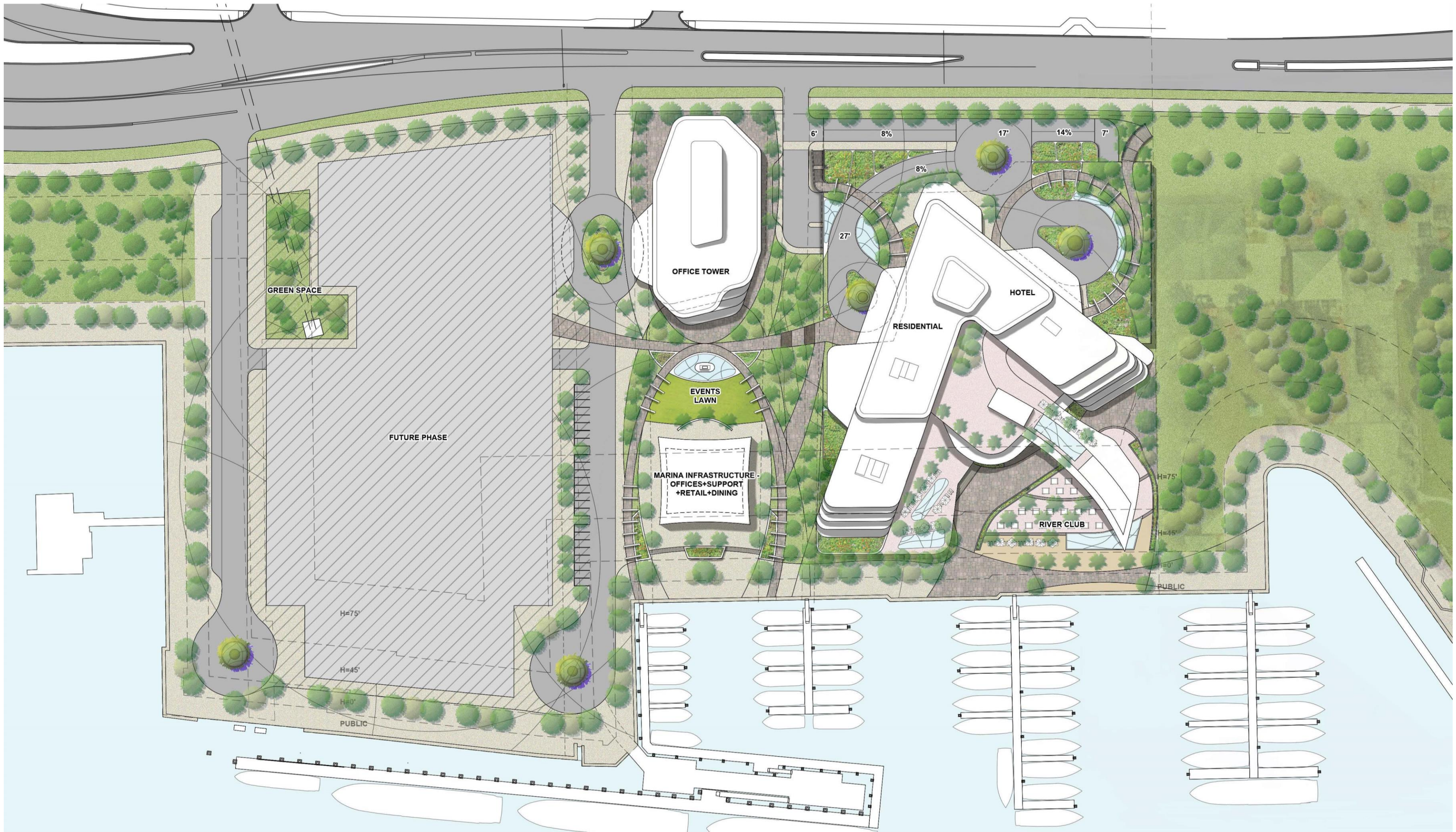
PROJECT SITE

METROPOLITAN PARK

An aerial photograph of a waterfront development, likely a marina or harbor area. A large bridge with multiple lanes spans the water. Below the bridge, there are several piers and docks with boats moored. The surrounding area includes green spaces, trees, and some buildings. The image is overlaid with a semi-transparent blue filter and a dark blue geometric shape on the right side.

2. THE DEVELOPMENT

Essentially UNCHANGED
from 2021 Approval





An aerial photograph of a waterfront area, likely in Singapore, featuring a large stadium (Singapore Sports Hub), a bridge, and a marina with several boats. The image is overlaid with a blue geometric shape on the right side.

3. OFFICE PARCEL SALE

An aerial photograph of a city waterfront, featuring a large stadium with a distinctive white, tent-like roof structure. In the foreground, a marina is filled with numerous boats and yachts. A multi-lane highway runs horizontally across the middle of the image. The background shows a dense urban area with various buildings and green spaces. The entire image is overlaid with a semi-transparent blue filter, and a solid blue triangle is positioned on the right side, pointing towards the center.

4. CHANGES IN DEAL STRUCTURE & INCENTIVES

Basic Deal Terms

Private Capital Investment

\$387,602,000

Total COJ Direct Incentive

\$97,036,087

Hotel Parcel	Developer has already closed on acquisition of 4.77-acre parcel valued at \$12,500,000 (donation)
Office Parcel	40-year ground lease in effect on 1.05-acre parcel; <u>Now purchasing for \$3.2 million cash</u>
Hotel REV Grant	<u>\$50,581,200 (75% for 20 years - formula unchanged)</u>
Hotel Completion Grant	\$25,834,887 (unchanged)
Office REV Grant	<u>\$8,120,000 (75% for 20 years - formula unchanged)</u>

- Marina stays public, transient, same # slips/length
- Pier is replaced and still provides pier function; New bulkhead
- COJ to fund reconstruction of Marina Support Building, Events Lawn, Marina, Riverwalk, Pier and Bulkhead – Approved in 22-23 CIP
- Developer to design and build on our behalf but then reimbursed after complete and Developer covers cost overruns

Shipyards Hotel & Residences - Summary Sheet			
1 - Total Project Cost		Iguana	DIA/COJ
Hotel and Condominium Development	334,551,696	(334,551,696)	
Total Cost	334,551,696	(334,551,696)	0
City Incentives, Expenditures and Concessions			
REV Grant	50,581,200		(50,581,200)
Completion Grant	25,834,887		(25,834,887)
Relocation of Fire Station and Dock	14,000,000		(9,800,000)
Marina Park	3,312,052		(3,312,052)
Marina Services Building	6,563,615		(6,563,615)
Relocation of Fire Museum	3,500,000		(3,500,000)
Hotel and Condominium Land	12,450,000		(12,450,000)
Easement Parcels (Fee Value)	94,000		(94,000)
Relocation of Utility Lines	2,859,050		(2,859,050)
Net Loss on Relocation of Kids Kampus	6,219,400		(6,219,400)
TOTAL OUTFLOWS		(334,551,696)	(121,214,204)
City Benefits			
Payment for Hotel/Residential Parcel	100		100
ROFO (2.33 year payment)	116,667		116,667
Met Park Adoption (\$200,000 x 20 years)	4,000,000		4,000,000
Ad Valorem Property Taxes	68,463,661		68,463,661
Hotel - Tourism Dev Tax (6%)	37,311,935		37,311,935
Hotel - 2% Room Surcharge	12,437,312		12,437,312
Hotel -LOST (1%)	6,218,656		6,218,656
Hotel and Condominium - Food and Beverage Sales	4,538,334		4,538,334
TOTAL INFLOWS			133,535,717
NET BENEFIT			12,321,513
ROI			1.10

Shipyards Office Building - Summary Sheet			
1 - Total Project Cost		Iguana	DIA/COJ
Office Building	53,046,696	(53,046,696)	
Total Cost	53,046,696	(53,046,696)	0
City Incentives, Expenditures and Concessions			
REV Grant	8,120,300		(8,120,300)
Value of Office Parcel	3,430,000		(3,430,000)
Easement Parcels (Fee Value)	191,000		(191,000)
TOTAL OUTFLOWS		(53,046,696)	(11,741,300)
City Benefits			
Ad Valorem Property Taxes	11,071,154		11,071,154
Construction of new drive and 20 parking spots	176,200		176,200
Payment for Office Parcel	3,200,000		3,200,000
TOTAL INFLOWS			14,447,354
NET BENEFIT			2,706,054
ROI			1.23

Combined Total Outflows			
➤	Direct Incentives	\$96,986,387	
➤	Indirect	<u>\$35,969,117</u>	
			\$132,955,504
Combined Total Inflows			<u>\$147,983,071</u>
Net Benefit to COJ			\$ 15,027,567
Combined ROI			1.11X

Bill Authorizations

Property Dispositions

- Fee simple sale of Office parcel (1.05 acres for cash at appraised value of 3.2 million)
- Various Easements
- Extended Right of First Offer on adjacent 6-acre Shipyards parcel (12/31/24 to 6/30/25)

Incentives

- REV Grants split between Office and Hotel (75%/20 yrs) & construction cost increase reflected
- Completion Grant on Hotel Project amount unchanged

Partnerships

- Developer required to build on our behalf and be reimbursed for Marina Support Building, Marina, Pier, Events Lawn, Bulkhead and Riverwalk
- Developer to contribute 200k/year for Met Park maintenance and programming
- Developer to collect and remit to City 2% room surcharge for use on Marina, Marina Support, and Events Lawn
- Developer option to lease and manage Marina Support Building and manage **PUBLIC** marina

CIP Amendment

- Moving portion of budget from NB Bulkhead and Riverwalk generic project (already budgeted for this specific project) into CIP project where other public on-site improvements are budgeted- No change in \$ amounts or year of funding

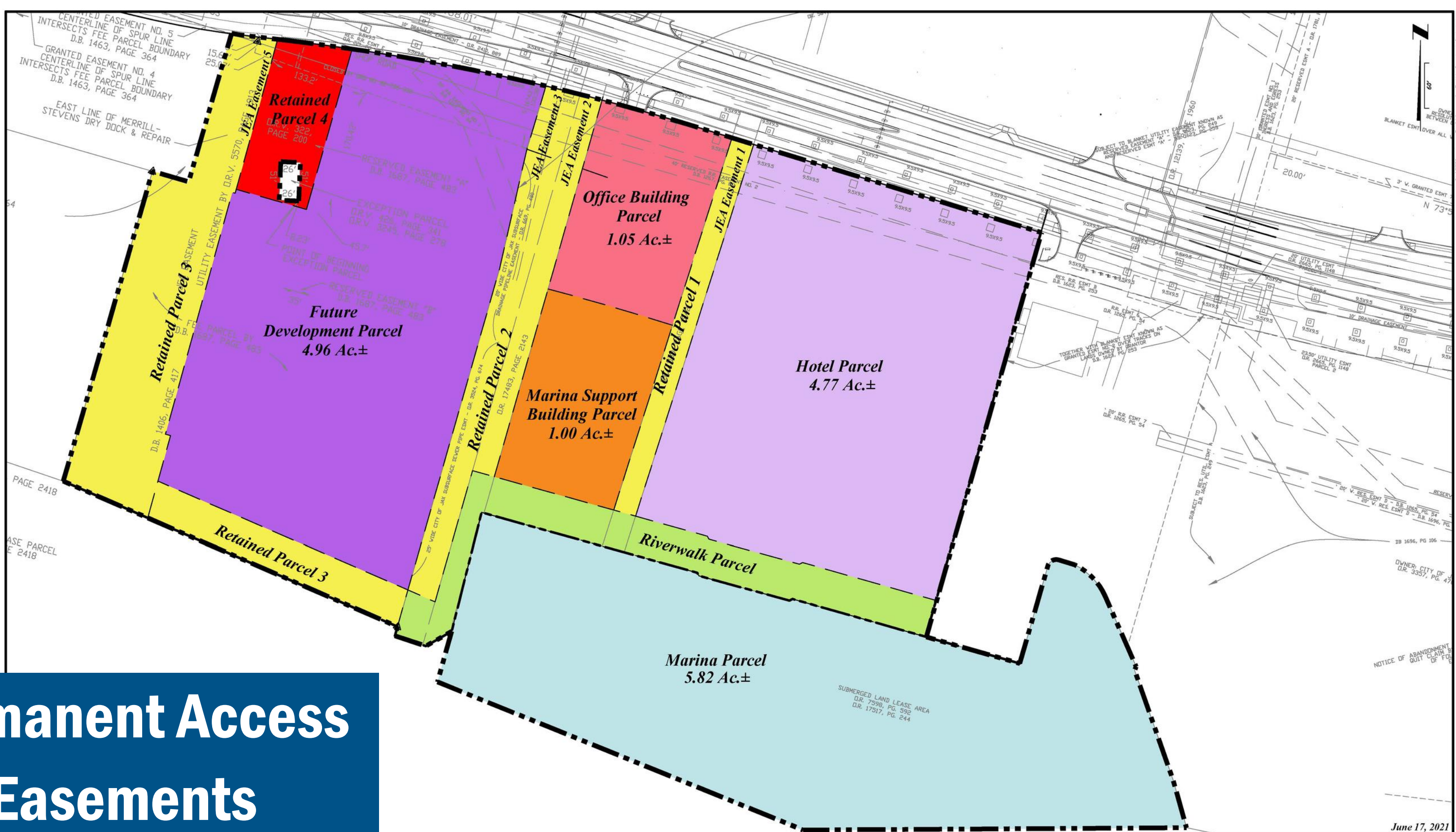
An aerial photograph of a waterfront area, likely in San Francisco, featuring a large stadium (SAP Center), a bridge, and a marina with several boats. The image is overlaid with a semi-transparent blue geometric shape on the right side.

5. EASEMENTS

Permanent Access Easements

Notes:

- 1. This is not a survey, this exhibit demonstrates the general size of the subject parcel. All acreages and dimensions are subject to change pending additional surveyor data.*
- 2. This exhibit was based on information from various sources including the City of Jacksonville survey file, and engineering plans for the Bay Street Improvements furnished by the City of Jacksonville.*



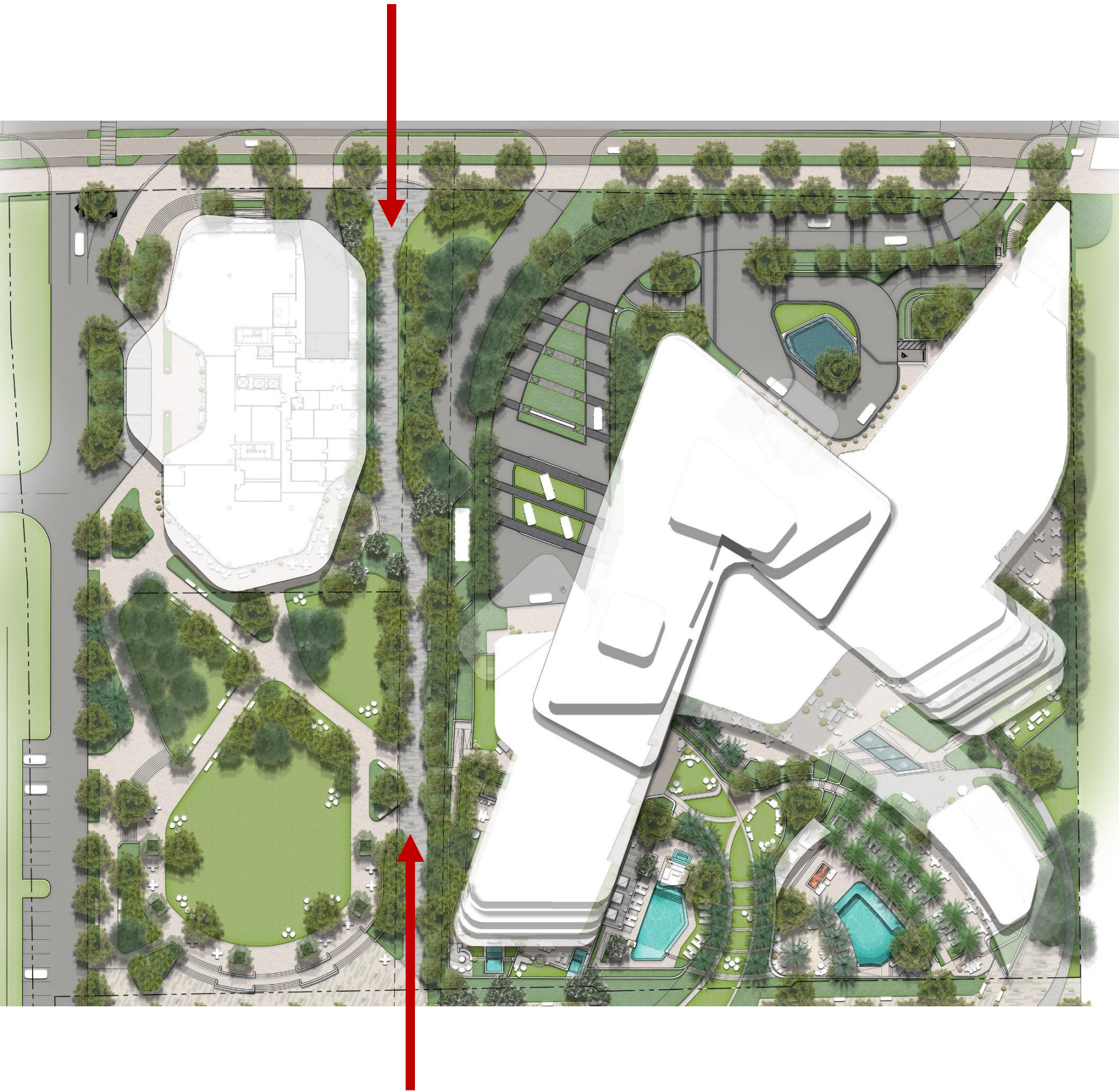
June 17, 2021

Parcel Map

SHIPYARDS
Jacksonville, Florida

ETN
VISION • EXPERIENCE • RESULTS

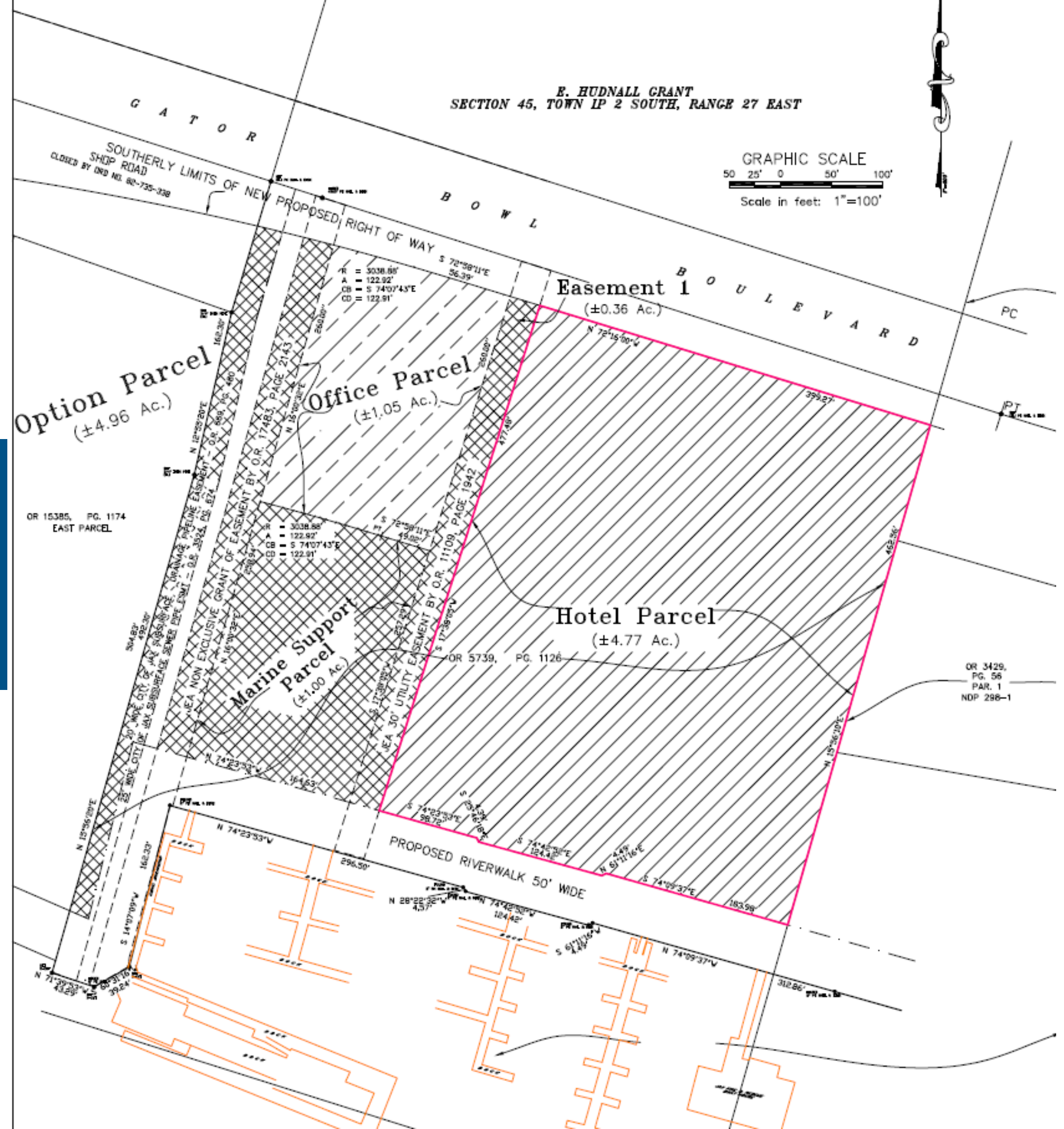
England-Thim & Miller, Inc.
14775 Old St. Augustine Road
Jacksonville, FL 32258
TEL: (904) 642-8990
FAX: (904) 646-9485
REG - 2584 LC - 0000316



Multi-Use Path Between Buildings

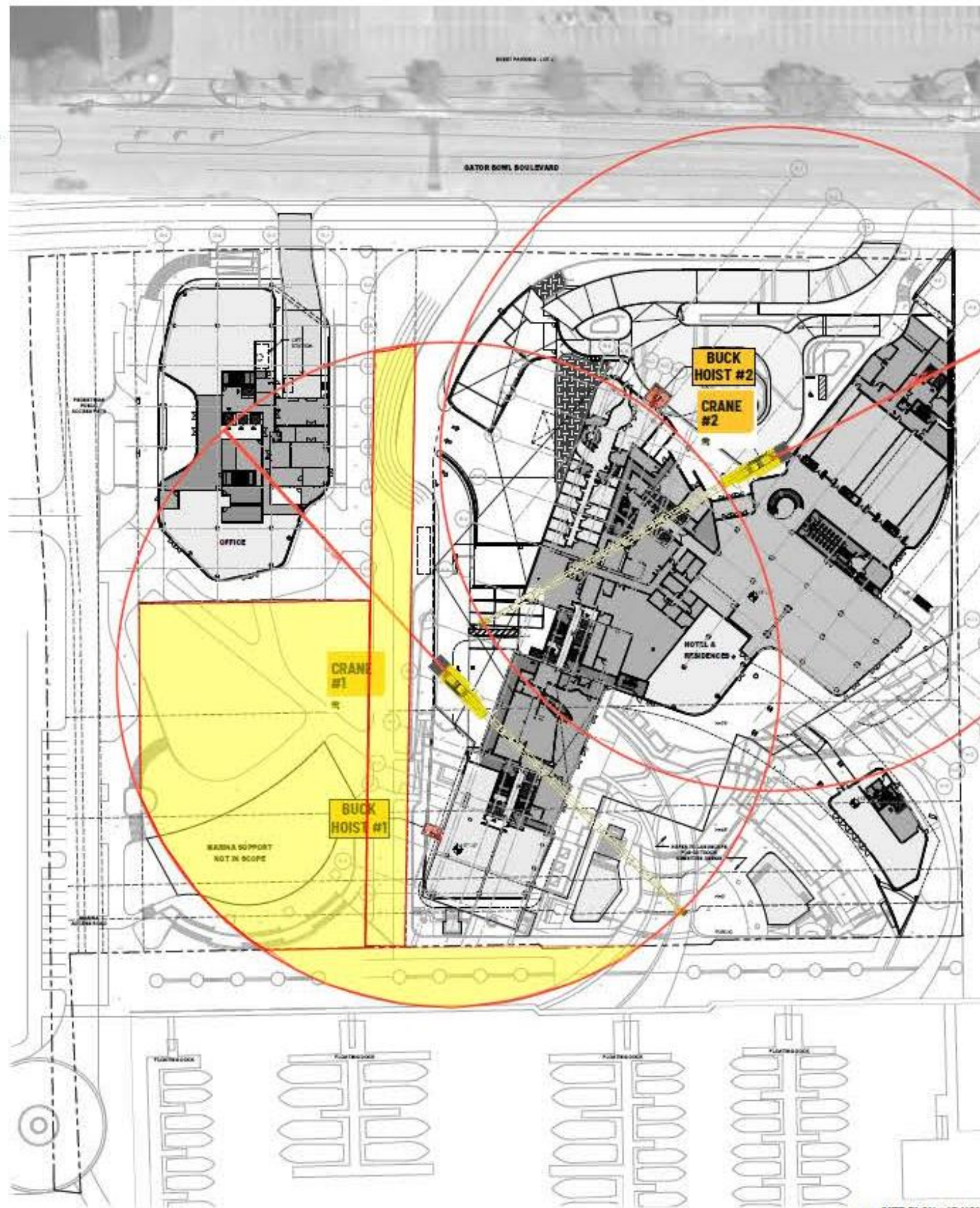


Utility Easements



Tower Crane

PROGRAM LEGEND			
	BOH		MEP
	Core		Stair
	Hotel		Food Service
	Residential		Spa
	Restaurant/Retail		Residential Amenities
	Residential Public		Demolition/Existing



01 SITE PLAN +17 NAVD
100' = 1" 0'

HKS

ARCHITECT
HKS ARCHITECTS, INC.
550 CALVERT STREET, 4TH FLOOR
CORAL GABLES, FL 33134

INTERIOR ARCHITECT/HOTEL
OJA
345 CALVERT STREET, 3RD FLOOR
NEW YORK, NY 10001

INTERIOR ARCHITECT/RESIDENCE
MAYNARD
140 CALVERT STREET, 3RD FLOOR
NEW YORK, NY 10001

LANDSCAPE ARCHITECT
TDM
100 E. 10TH AVENUE, SUITE 110
FORT LAUDERDALE, FL 33301

STRUCTURE ENGINEER
CRONIN
100 CALVERT STREET, 4TH FLOOR
MIAMI, FL 33134

MEP ENGINEER
EJP
100 CALVERT STREET, 4TH FLOOR
MIAMI, FL 33134

FOOD SERVICES CONSULTANT
B&B
80 S. MARION AVENUE, SUITE 201
TAMPA, FL 33602

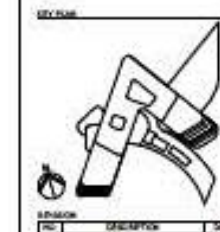
WATER FEATURES CONSULTANT
WATTS
100 CALVERT STREET, 4TH FLOOR
MIAMI, FL 33134

RPA CONSULTANT
BUREAU
100 CALVERT STREET, 4TH FLOOR
MIAMI, FL 33134

PARKING CONSULTANT
TDM
100 CALVERT STREET, SUITE 110
FORT LAUDERDALE, FL 33301

FOUR SEASONS
SHIPYARDS HOTEL & RESIDENCES
100 CALVERT STREET, MIAMI, FL 33134

INTERIM REVIEW ONLY
These documents are preliminary and are not intended for construction. They are not intended for regulatory approval. They are not intended for construction. They are not intended for construction.



FILE NO. 24240.000
DATE
03/15/22
SCALE
100% SCHEMATIC
DESIGN
SHEET TITLE
SITE PLAN - LEVEL 02

SHEET NO.
A1.02

Temporary Construction Easements



An aerial photograph of a city waterfront, featuring a multi-lane bridge spanning a body of water. In the background, a large stadium with a distinctive white, tent-like roof is visible. The foreground shows a marina with several boats docked and a residential area with houses and trees. The entire image is overlaid with a semi-transparent blue filter, and a solid blue triangle is positioned on the right side.

6. CITY PROTECTIONS

City Protections

- Financial incentives are provided upon completion and performance.
- Development minimums established with reductions limited to 10% so long as Minimum Private Capital Investment of \$334,502,000 inclusive of Minimum Direct Costs of \$281,947,000 are maintained for the Hotel and Minimum Private Capital Investment of \$53,050,000 inclusive of Minimum Direct Costs of \$43,015,000 are maintained for the Office.
- Right of Reverter in the event Developer fails to commence the Hotel Improvements or Office Improvements in accordance with the Performance Schedule.
- Non-exclusive easements ensure that the view and public access to the Riverwalk and Marina is maintained and includes new pedestrian walkways and access drive.
- Iguana responsible for cost overruns in the development of the City Owned Marina, Pier, Bulkhead, Riverwalk and Marina Support Building.
- City retains ownership of 50-foot Riverwalk adjacent to St. John's River around all properties.
- Marina and Pier to remain open to the public with the same number of slips and linear footage
- Developer shall provide DIA/COJ with completion guarantees ensuring completion of the Hotel Improvements and Office Improvements.
- City retains development rights on ROFO parcel, including riparian rights for future SLL and marina expansion.

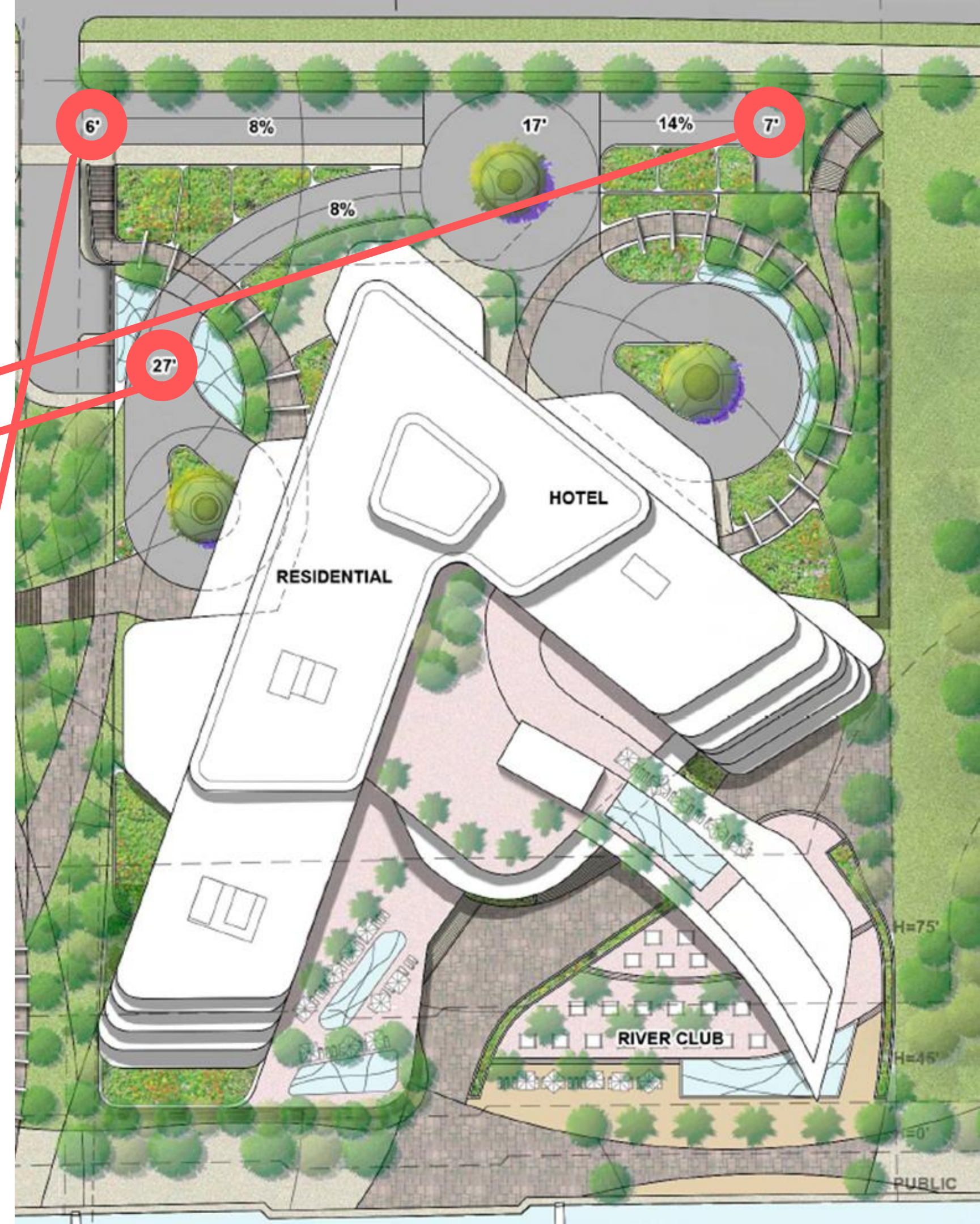
Performance Schedule

- ***EXECUTION OF REDEVELOPMENT AGREEMENT*** within thirty (30) days following City Council Approval and execution by the Mayor.
- ***FEE/LEASE CLOSINGS*** “As Is” sale to be completed within thirty (30) days after the Effective Date of the RDA.
- ***INITIAL PERMITTING*** permits necessary to commence horizontal by November 30, 2022 (**Done**)
- ***COMMENCE HORIZONTAL CONSTRUCTION*** by December 31, 2022, and proceed without material delay through completion. (**Commenced**)
- ***COMMENCE VERTICAL CONSTRUCTION*** No later than September 1, 2023
- ***COMPLETION OF CONSTRUCTION*** - All improvements on the Hotel Parcel and Office Parcel and Easements to be substantially completed no later than June 30, 2026.
- ***MARINA AND RIVERWALK CLOSURE*** – No earlier than January 15, 2023, or date on which bulkhead plans are approved
- ***MARINA AND BULKHEAD CONSTRUCTION TO COMMENCE*** – within 60 days of Closure
- ***MARINA, RIVERWALK AND BULKHEAD COMPLETION DATE*** – No later than 36 months following closure
- ***MARINA SUPPORT BUILDING AND EVENT LAWN COMPLETION DATE*** – earlier of opening of Hotel or June 30, 2026

Resiliency

HOTEL AND OFFICE PARCELS

- Raising Base Floor Elevation to address Sea Level Rise
 - +7 ' at ground level and parking garage
 - Sloping up to 27' at Lobby
- Office Building Parcel will add +6' above current grade, BFE= ~12'
- Providing flood mitigation
- Stormwater Credits are not included in this disposition, but water *quality* credits are available- no impact on flood mitigation design



An aerial photograph of a city waterfront, featuring a large bridge spanning a body of water, a modern stadium with a distinctive roof, and a marina with several boats docked. The image is overlaid with a semi-transparent blue geometric shape on the right side.

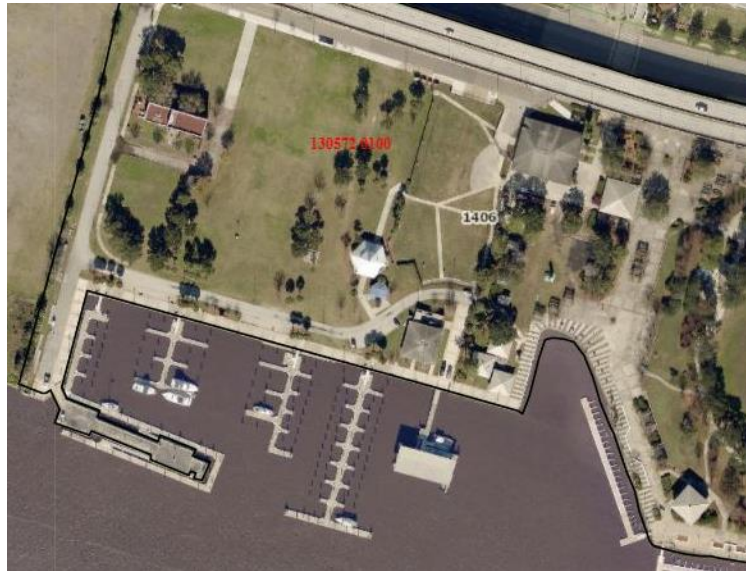
7. PUBLIC BENEFITS

Public Benefits



Cumberland Park, Nashville

New destination park connecting the Sports & Entertainment district to the Central Core and offers unique design opportunities

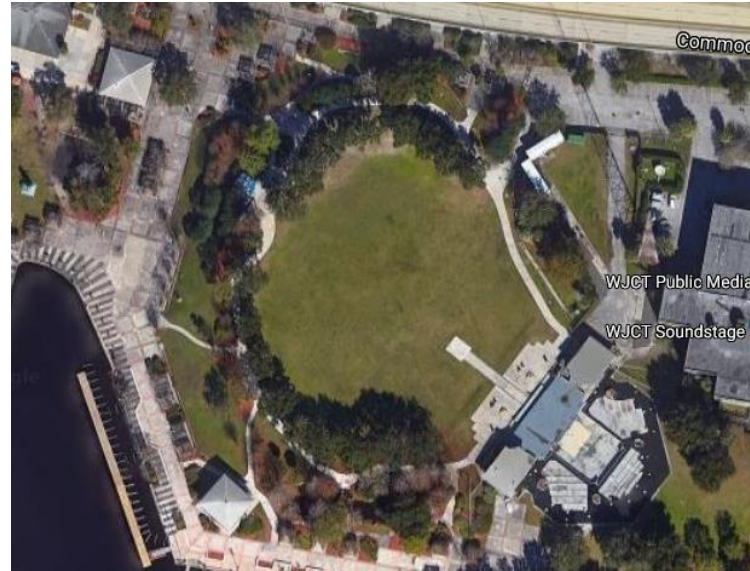


Upgraded public marina with a 2% hotel-room surcharge available for improvements to Marina



Luxury hotel will provide new service level in Downtown and food and beverage in the Sports & Entertainment district

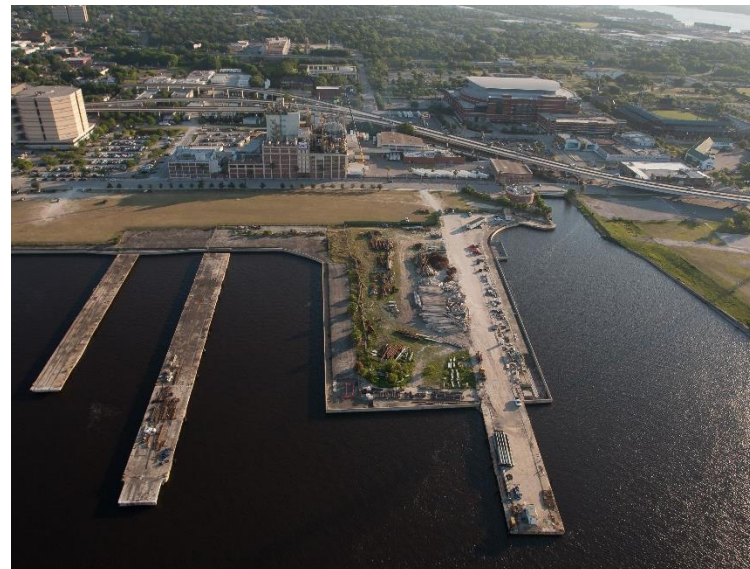
Public Benefits



Iguana to donate \$4 million (\$200,000 per year for 20 years) for maintenance and programming of Met Park & Marina

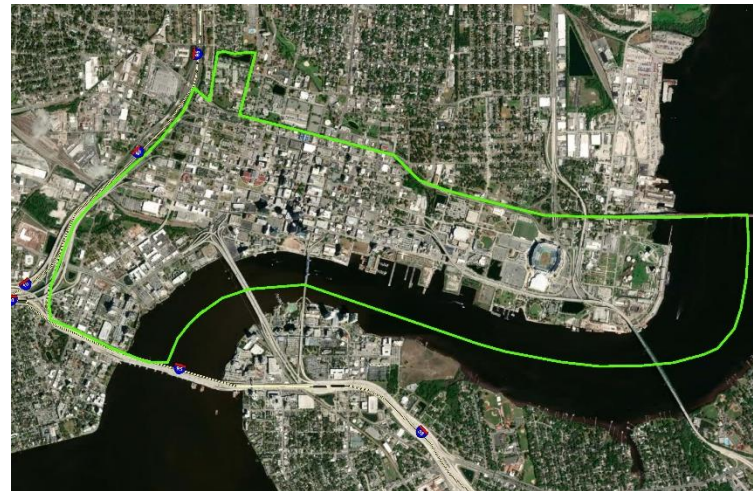


Finally completes missing connection of Northbank riverfront



Opportunity to create unique attractions maximizing the City's submerged land and piers

Public Benefits



**Downtown Tax Increment
District to receive net revenue
of nearly \$20 million over next
20 years facilitating future
DIA investments**



**Enhanced services and
facilities for boaters
including new ship store,
restrooms, and retail**



THANK YOU!

DOWNTOWN INVESTMENT AUTHORITY