



# COMMUNITY REDEVELOPMENT AGENCY ANNUAL REPORT 2017-2018





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**Downtown Investment Authority of the City of Jacksonville**  
**Community Redevelopment Agency**  
**Annual Report**  
**Fiscal Year 2017-2018**

**Required Report and Records**

Pursuant to Chapter 163 of the Florida Statutes, the Community Redevelopment Agency (CRA) of the City of Jacksonville must file with the governing body on or before March 31st of each year, a report of its activity for the preceding fiscal year and the report shall include a complete financial statement setting forth its assets, liabilities, income, and operating expenses as of the end of such fiscal year. Once completed, a notice will be published in a newspaper of general circulation which states that the FY 2016 CRA Annual Report has been filed and is available for review in the Office of Economic Development. The notice of publication will be placed in the Florida Times Union newspaper as a legal notice. In addition, the report will be available for review on the DIA's website ([www.dia.coj.net](http://www.dia.coj.net)) Government/Community Redevelopment Area Board.

**CRA Process**

The City of Jacksonville follows the process of creating Community Redevelopment Areas (CRA) pursuant to Florida Statute 163, Part III. The process for creating a CRA is well defined. It must detail the deficiencies in the area meeting the statutory definition of blight, provide a Community Redevelopment Plan for eliminating the blight and establish a Tax Increment Financing District (TIF) as an ongoing revenue source supporting the projects described in the Plan. Tax increment financing is a unique tool available to cities and counties for redevelopment activities. It is used to leverage public funds to promote private sector activity in the targeted area. A broad overview of the process is outlined below:

1. **Finding of Necessity** – Blight is measured by meeting at least two criteria of 14 as stated in the statute supported with government statistics.
2. **Community Redevelopment Plan** – A master plan must be developed as the blueprint for solving the boundary area deficiencies. The CRA Plan will provide the guidelines for land acquisition, investment, development, redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the CRA; zoning and planning changes, if any; land uses; maximum densities; building requirements, elementary schools in the area, housing, newly created office and retail, improved traffic, public transportation, public utilities, recreational and community facilities.

Examples of traditional projects include streetscapes and roadway improvements, building renovations, new building construction, flood control initiatives, water and sewer improvements, parking lots and garages, neighborhood parks, sidewalks and

street tree plantings. The plan can also include redevelopment incentives such as grants and loans for such things as façade improvements, sprinkler system upgrades, signs, and structural improvements. The redevelopment plan is a living document that can be updated to meet the changing needs within the Community Redevelopment Area; however, the boundaries of the area cannot be changed without starting the process from the beginning.

3. **Tax Increment Financing District (TIF)** -- A CRA is a dependent special district in which any future increases in property values are set aside to support economic development projects within that district. They are commonly used to focus economic development in a particular community in decline where funding sources for revitalization are challenged. This is accomplished by establishing a Tax Increment Financing (TIF) district. If it is listed in the Community Redevelopment Plan, TIF dollars can be used as a revenue source to a project if the project meets community criteria.

## **Background**

Pursuant to the provisions of Chapter 163, Part III, Florida Statutes, on June 28, 2012, the City Council declared the Downtown Investment Authority (the “DIA”) as the Community Redevelopment Agency (CRA) for the Combined Northbank and the Southside CRAs, when it approved Ordinance 2012-364-E. The Ordinance codified the determination that the DIA would be the redevelopment agency to implement the revitalization of the Community Redevelopment Area Plans for two active CRAs located in Downtown Jacksonville.

This action transfers the rights, powers, duties, privileges and immunities invested in the DIA acting as the CRA. The DIA has direct oversight of redevelopment activities in both redevelopment areas. The DIA is governed by a Nine (9) Member Governing Board, whose members are selected, for four-year terms, in combination by the Mayor’s office (selects five (5) DIA Board Members) and the City Council (which selects four (4) DIA Board Members).

Further, on February 20, 2015, via Ordinance 2014-560-E, the City Council, as Governing Body for the DIA CRAs, approved updated and amended Community Redevelopment Plans for both the Northbank and Southside CRAs.

The Plans outline the following Seven (7) Goals for both CRAs:

**Goal 1:** Reinforce Downtown as the City’s unique epicenter for business, history, culture, education, and entertainment.

**Goal 2:** Increase rental and owner-occupied housing downtown, targeting key demographic groups seeking a more urban lifestyle.

**Goal 3:** Simplify the approval process for downtown development and improve departmental and agency coordination.

**Goal 4:** Improve walkability/bikeability and connectivity to adjacent neighborhoods and the St. Johns River while creating highly walkable nodes.

**Goal 5:** Establish a waterfront design framework to ensure a unique experience and sense of place.

**Goal 6:** Maintain a clean and safe 24-7 Downtown for residents, workers, and visitors.

**Goal 7:** Use planning and economic development policies to promote design for healthy living.

## **Community Redevelopment Plan Implementation**

The CRA Plans for the two (2) Downtown CRAs, the Northbank and Southside respectively, are encompassed in a larger Business and Investment Development Strategy Plan (the ‘BID Plan’). Sections 6 and 7 of the BID Plan Identify the projects and initiatives for the Northbank and Southside, and identify the key attributes of Downtown’s physical character and demographics including population, income, current and planned land use, housing, parks and open space system, community facilities, proposed development projects, overview of Downtown’s neighborhoods and districts, and historically significant structures.

### **The Northbank CRA Plan (Section 6 of the BID Plan)**

#### ***Projects/Initiatives***

The following projects/initiatives do not represent all of the efforts that DIA and the City will undertake throughout the life of the CRA Plan. They represent initial priorities identified through the comprehensive public and stakeholder outreach that went into creating the CRA Plan.

- Retail Enhancement Grant Program
- Urban Art Façade and Streetscape Program
- Hemming Plaza Management
- Hogan Street Plaza
- Improved Wayfarer Signage
- Liberty Street Improvements
- Bay Street Improvements
- Pearl Street Improvements
- Reinforce Branding of E Town Zone as “The Elbow”
- Reintroduce Two-Way Street System
- National Historic District Designation
- Artists Live/Work Implementation Strategy
- Housing Incentive Program
- St. Johns River & Tributary Access
- Park Once
- Northbank East-West Circulator
- Improve Links from Emerald Necklace to the St. Johns River
- “Riverwalk Project” Informational & Wayfinding App
- Landmark Public Park on the St. Johns River
- LaVilla Catalyst Site
- Former Duval County Courthouse Catalyst Site
- Snyder Memorial Church Catalyst Site
- Hemming Plaza Improvements

### **The Southside CRA Plan (Section 7 of the BID Plan)**

*Projects/Initiatives*

The following projects/initiatives do not represent all of the efforts that DIA and the City will undertake throughout the life of the CRA Plan. They represent initial priorities identified through the comprehensive public and stakeholder outreach that went into creating the CRA Plan.

- Riverplace Boulevard Road Diet
- St. Johns River & Tributary Access
- Redesign Friendship Park
- Housing Incentive Programs
- Landmark Public Park on the St. Johns River
- Southbank Catalyst Site
- National Historic District Designation

**DIA Governing Board**

CRAIG GIBBS	MAYOR	Southbank Business Interest	6/30/2020
TODD FROATS	MAYOR	Banking/Finance Industry Representative	6/30/2022
MARC PADGETT*	MAYOR	Business Management Experience	6/30/2018
CAROL WORSHAM	COUNCIL	Urban Planner	6/30/2022
W. BRAXTON GILLAM	MAYOR	Downtown Resident	6/30/2019
JIM BAILEY	COUNCIL	Northbank Business Owner	6/30/2019
OLIVER BARAKAT	COUNCIL	Commercial Real Estate	6/30/2019
RON MOODY	COUNCIL	Southbank CRA Representative	6/30/2020
DANE GREY	MAYOR	Northbank Business Interest	6/30/2020

**\*Expired Term Board Members holdover until a replacement has been selected.**

# Northbank CRA



	Northwest TID	Downtown East TID
<b>CRA Base Year(s)</b>	<b>1981</b>	<b>1984</b>
<b>Base Year Taxable Assessment</b>	<b>\$ 214,636,423</b>	<b>\$ 201,743,546</b>
<b>Current Taxable Assessment</b>	<b>\$ 693,526,315</b>	<b>\$ 463,919,923</b>
<b>Incremental Increase</b>	<b>\$ 478,889,892</b>	<b>\$ 262,176,637</b>
<b>Fiscal 2016/2017 TIF Revenue</b>	<b>\$ 5,047,121</b>	<b>\$ 2,336,145</b>

## **Northbank CRA Highlights for 2017-2018**

### Jones Furniture Building

The DIA Board approved incentives and redevelopment terms for the rehabilitation and adaptive reuse of the Jones Furniture Building and associated Real Estate Parcels with ACE JAX, LLC. The Developer proposes to renovate the buildings into 28 units of residential apartments, 10,247 square feet of retail space and 1,040 square feet of office space. This project will result in the investment of approximately \$ 11.0 million for the construction and associated improvements.

Funding will consist of :

- Land: The City will sell the parking lot located at 0 Ashley st. W. , RE Parcel # 073856-0000, with an estimated value of \$ 120,142.00, for \$ 1.00; a net benefit to the project of \$ 120,141.00.
- Grant: \$ 1,500,000.00 (subject to verification of qualified development expenses) from the Downtown Historic Preservation and Revitalization Trust Fund (the "HPTF).
- Loans: A loan from the Downtown Economic Development Trust Fund of no more than \$ 750,000.00 currently payable over a Twenty year period at an interest rate of 1.50% annually. The first Twelve months will be interest only.

### Jacksonville University 2

DIA has proposed a forgivable loan to the Jacksonville University for \$ 100,000.00 to give incentive and bring Programs and associated classroom space to Downtown Jacksonville. This incentive will be a forgivable loan to help defray the costs of moving the Programs, including tenant improvements, capital, and tangible personal property expenditures, into the Downtown Jacksonville. This loan will be funded by the Downtown Development Fund.

Incentives include:

- Redevelopment Goal 1: Reinforce Downtown as the City's unique epicenter for business, history, education, and entertainment.
- Redevelopment Goal 2: Simplify the approval process for downtown development and improve departmental and agency coordination.
- Redevelopment Goal 3: Improve walkability / bike ability among neighborhoods.
- Redevelopment Goal 4: Maintain a clean and safe 24-7 Downtown for residents, workers, and visitors.



### The Ambassador Hotel

The DIA has approved incentives and Redevelopment Terms for the rehabilitation and adaptive reuse of the Ambassador Hotel and associated real estate parcels. A Developer, Axis Hotels LLC, proposes to renovate the Ambassador Hotel building into a 127 room Hotel. And with the undeveloped portion of the site construct 200 units of multi-family market rate housing and a structured parking facility of a size and nature to serve both the hotel and housing projects. Total estimated development cost is \$ 15,000,000.00

- Redevelopment Completion Grant: \$ 1,500,000.00 from the Downtown Historic Preservation and Revitalization Trust Fund (the "HPTF")
  - Grant funds will be disbursed at issuance of the last needed Certificate of Occupancy. Approximately 1818 months after construction commences.

### The Annex Apartment Building

Total estimated Development cost is \$ 38,157,147.00

- REV Grant \$ 4,900,000.00 from the Northbank TID
- Partial Ad Valorem Tax rebate of 15 years @75% for an approximate total Grant not to exceed \$ 4,900,000.00

### The Berkman II

DIA has authorization to negotiate a redevelopment agreement with 500 East Bay Street, LLC for the redevelopment of the Berkman II Tower with a parking garage, authorizing:

- (1) \$ 8,250,000.00 Operational Grant,
- (2) Authorizing a REV Grant in the amount of \$ 20,000,000.00 for the "Project"
- (3) Recommending approval by the City Council of a \$ 3,250,000.00 City Grant and
- 4) Authorizing a Parking Grant in the amount of \$3,500,000.00 for the reservation of 200 parking spaces for the public.

Whereas the developers propose to develop the Berkman II site into a 340 room Hotel, Family Entertainment Center, Water Park, and a Parking Garage. The Developers propose to develop (design, construct and finance) a parking garage on up to 3 acres of the westernmost portion of the City of Jacksonville owned undeveloped land located in the area commonly known as the shipyards, to accommodate the parking needs of the "Project".

All Terms contained in the TERM SHEET are contingent upon successful commitment and closing of all Construction/Senior Debt Agreements and Commitments.

### Bryan Building

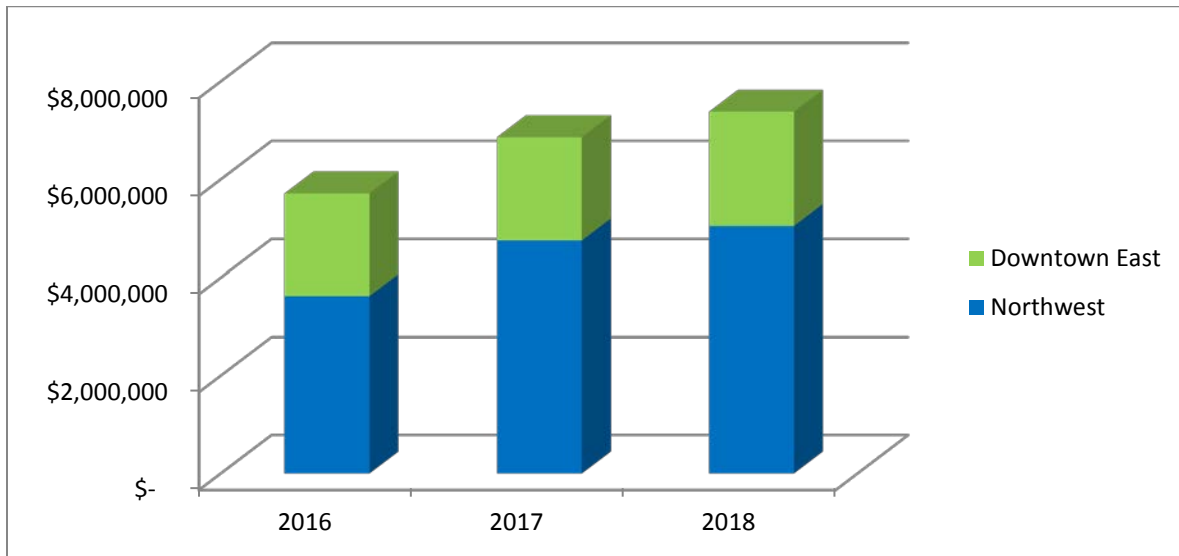
DIA approval supporting the redevelopment and incentive agreement between the DIA and 217-219 N. Hogan Street, LLC. (Owner)

Whereas the "Owner" proposed to refurbish the Bryan Building located at 217 N. Hogan St in Downtown Jacksonville. The Owner proposed to redevelop the building's second floor space into 12 artist studio spaces and a common space exhibition area. The project will result in the investment of approximately \$120,450.00 for the restoration, preservation and construction of the improvements.

This loan will be funded through the Downtown Economic Development Fund and the DIA.

It is anticipated that the Barnett Bank, which should be completed in 22 months, and the Parking Structure, which should be completed in a 16 month time frame, will be completed first and in a close timeframe to each other. It is expected that the Trio will lag the Barnett building by 8-12 months.

Year	Revenue (Total)	By TID	
		Downtown East	Northwest
2016	\$ 6,860,387	\$ 2,088,740	\$ 3,623,622
2017	\$ 6,894,084	\$ 2,107,679	\$ 4,752,708
2018	\$ 7,383,266	\$ 2,336,145	\$ 5,047,121



South Side TID	(SF 182)	FY18 Proposed	FY18 Revised	Comments
<b>Revenue</b>				
31101	Ad Valorem Taxes	\$4,073,619	\$4,078,987	
38901	Transfers from Fund Balance	\$0	\$0	
<b>Total Revenues</b>		<b>\$4,073,619</b>	<b>\$4,078,987</b>	
<b>Expenditures</b>				
<b>Salaries</b>				
<b>Total Salaries</b>			\$0	
<b>Employee Benefits</b>				
<b>Total Employee Benefits</b>			\$0	
<b>Professional Services and Contractual Obligations</b>				
03109	Professional Services (DRI Reorg.)	\$100,000	\$100,000	
03109	Professional Services	\$0	\$0	
<b>Total Professional Services</b>		<b>\$100,000</b>	<b>\$100,000</b>	
<b>Engineering Services</b>				
<b>Total Engineering Services</b>			\$0	
<b>Internal Service Charges</b>				
<b>Total Internal Service</b>			\$0	
<b>Other Operating Expenses</b>				
<b>Total Other Operating Supplies</b>		\$0	\$0	
<b>Transfers to Other Funds</b>				
	Expenditures in Accordance with Plan (see below for details)	\$3,388,253	\$3,393,084	
	Pennisula REV Grant	\$675,000	\$615,679	
	Strand Rev Grant	\$375,000	\$398,521	
	San Marco Place REV Grant	\$185,000	\$165,872	
	Sunguard REV Grant	\$8,000	\$8,000	
	One Call CRP	\$100,000	\$100,000	
	Waterfront Activation	\$0	\$59,759	
	South Bank Retail Enhancement Program	\$0	\$0	
	JEA SSGS Public Infrastructure Improvements	\$2,045,253	\$2,045,253	
09101	Interest - Strand Bonds	\$178,004	\$178,004	
09101P	Principal - Strand Bonds	\$0	\$0	
09191	Interfund Transfer (see below for details)	\$407,362	\$407,899	
	To General Fund - GSD- Admin	\$407,362	\$407,899	
	To General Fund - GSD	\$0	\$0	
	To Downtown Econ. Dev. Fund (75B) - South Bank Retail Enhancement Program	\$0	\$0	
	To TIF Capital Fund - Southbank Parking (32U)	\$0	\$0	
	To TIF Capital Fund - Riverplace Road Diet (32U)	\$0	\$0	
09906	Cash Carryover	\$0	\$0	
<b>Total Transfer out</b>		<b>\$4,073,619</b>	<b>\$4,078,987</b>	
<b>Remaining Funds</b>				
<b>Total Expenditures</b>		<b>\$4,073,619</b>	<b>\$4,078,987</b>	

Downtown East TID (SF 181)		FY18 Proposed	FY18 Revised	Comments
<b>Revenue</b>				
31101	Ad Valorem Taxes	\$2,422,072	\$2,336,145	
	Debt Repayment (Lynch / IIE)	\$416,397	\$506,487	
	Debt Repayment( Carling Loan)	\$506,487	\$395,247	
	Transfer from NW TID (SF183)	\$2,053,846	\$2,053,846	
	Transfers From General Fund (Loan)	\$709,068	\$200,095	
38901	Transfers from Fund Balance	\$0	\$0	
<b>Total Revenues</b>		<b>\$6,107,870</b>	<b>\$5,691,820</b>	
<b>Expenditures</b>				
<b>Salaries</b>				
<b>Total Salaries</b>			\$0	
<b>Employee Benefits</b>				
<b>Total Employee Benefits</b>			\$0	
<b>Professional Services and Contractual Obligations</b>				
<b>Total Professional Services</b>		\$5,000	\$2,500	
<b>Engineering Services</b>				
<b>Total Engineering Services</b>			\$0	
<b>Internal Service Charges</b>				
<b>Total Internal Service</b>			\$0	
<b>Other Operating Expenses</b>				
<b>Total Other Operating Supplies</b>		\$0	\$0	
<b>Transfers to Other Funds</b>				
	Expenditures in Accordance with Plan (see below for details)	\$3,226,813	\$2,813,263	
	Loan Payment to the Self Insurance Fund (Lynch Bldg )	\$1,294,313	\$800,000	
	MPS Arena & Sports Complex	\$1,830,500	\$1,689,281	
	Comm Revitalization Program - GS&P	\$7,000	\$7,000	
	Kraft Food REV Grant (Maxwell House)	\$95,000	\$95,000	
	Retail Enhancement Program	\$0	\$221,982	
		\$0	\$0	
		\$0	\$0	
		\$0	\$0	
09101	Interest - Carling Bonds	\$194,786	\$194,786	
09101P	Principal - Carling Bonds	\$1,941,343	\$1,941,343	
09101P	Repay COJ Notes	\$664,928	\$664,928	
	Total Debt Service	\$2,801,057	\$2,801,057	
09191	Intertund Transfer (see below for details)	\$75,000	\$75,000	
	To General Fund - GSD	\$0	\$0	
	To Community Development Subfund (32U)	\$75,000	\$75,000	
09906	Cash Carryover	\$0	\$0	
<b>Total Transfer out</b>		<b>\$6,107,870</b>	<b>\$5,691,820</b>	
<b>Remaining Funds</b>		<b>\$0</b>	<b>\$0</b>	
<b>Total Expenditures</b>		<b>\$6,107,870</b>	<b>\$5,694,320</b>	

## Southside CRA

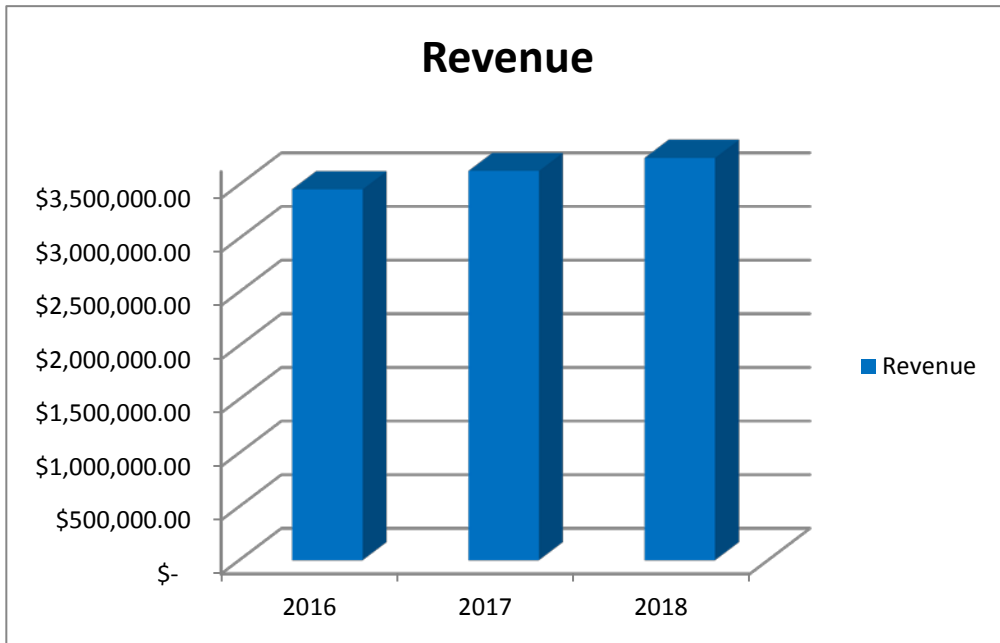


### Southside CRA at a Glance

<b>CRA Base Year</b>	<b>1980</b>
<b>Base Year Taxable Assessment</b>	<b>\$ 89,127,781</b>
<b>Current Taxable Assessment</b>	<b>\$ 481,131,742</b>
<b>Incremental Increase</b>	<b>\$ 392,003,961</b>
<b>Fiscal 2017/2018 TIF Revenue</b>	<b>\$ 4,078,987</b>

**Southside CRA Tax Increment Revenues**

Year	Revenue
2016	\$ 3,456,811.00
2017	\$ 3,628,092.00
2018	\$ 4,078,987.00



**Southside CRA - TID Budget**

## **Southbank CRA Highlights for 2017-2018**

### **Southbank Ventures Apartments Project**

The REV Grant for 75% of the incremental ad valorem taxes generated by the project (City /County portion only), for a period of 15 years from the date the Certificate of Occupancy is issued. The REV Grant will be capped at a maximum cumulative payment amount of \$7,880,000. It is estimated that the project will generate \$15,200,000 in incremental taxes over the next 20 years. Ventures, proposes to build up to 300 units of market rate multi-family rental residential units at 0 Prudential Dr., a site more commonly known as the Hines Property.

### **SouthBank Public Parking – FDOT Lots**

The DIA authorized the Downtown Investment Authority (“DIA”) Chief Executive Officer (“CEO”) to execute the Public Parking Lease Agreement with the Florida Department of Transportation (“FDOT”). There are five (5) parking facilities associated with this Public Parking Lease Agreement (“Agreement”). Certain parking facilities currently operated and maintained by JTA are not included as part of this Agreement, either because of ownership issues or ongoing long-term parking agreements that cannot be severed at this time (e.g. with Baptist). The parking facilities which are associated with this Agreement: three (3) are under the Acosta Bridge and two (2) are under the Overland Bridge. The two parking facilities under the Overland Bridge will not be available until ongoing construction has concluded.

### **Home Street Apartments**

CDP Homestreet LLC, the Developer, proposes to build a residential apartment complex on the site located at 1444 Home Street. The new proposed rental apartment facility will include 143 residential rental units. Collectively the project will result in the investment of approximately \$24.8 million for the construction of the rental apartment facility and associated improvements. The Developer has agreed to provide workforce housing in some of the units, and will restrict occupancy by providing that 10% of the households occupying the units will be at or below 140% of the Jacksonville MSA Area Median Income (“AMI”) for the fifteen year life of the REV Grant. The DIA approved 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 \$24.8 million for fifteen (15) years not to exceed \$2,530,000.



North West TID (SF 183)		FY18 Proposed	FY18 Revised Proposed	Comments
<b>Revenue</b>				
31101	Ad Valorem Taxes	\$4,582,340	\$5,047,121	
38901	Transfers from Fund Balance	\$0		
<b>Total Revenues</b>		<b>\$4,582,340</b>	<b>\$5,047,121</b>	
<b>Expenditures</b>				
<b>Salaries</b>				
<b>Total Salaries</b>			\$0	
<b>Employee Benefits</b>				
<b>Total Employee Benefits</b>			\$0	
<b>Professional Services and Contractual Obligations</b>				
<b>Total Professional Services</b>		\$5,000	\$2,500	
<b>Engineering Services</b>				
			\$0	
<b>Internal Service Charges</b>				
<b>Total Internal Service</b>			\$0	
<b>Other Operating Expenses</b>				
<b>Total Other Operating Supplies</b>		\$0	\$0	
<b>Transfers to Other Funds</b>				
	Expenditures in Accordance with Plan (see below for details)	\$2,523,494	\$2,990,775	
	MPS Urban Core Garage (Courthouse)	\$1,825,000	\$2,172,916	
	JTA /Fidelity Parking Lease	\$13,494	\$13,494	
	Hall Mark REV Grant (220 Riverside)	\$360,000	\$335,413	
	Pope & Land REV Grant (Brooklyn Riverside Apts.)	\$325,000	\$348,952	
	Retail Enhancement Program	\$0	\$120,000	
		\$0	\$0	
		\$0	\$0	
		\$0	\$0	
09101	Interest - Bonds	\$0	\$0	
09101P	Principal - Bonds	\$0	\$0	
09191	Interfund Transfer (see below for details)	\$2,053,846	\$2,053,846	
	To General Fund - GSD	\$0	\$0	
	To Downtown East TID (SF 181))	\$2,053,846	\$2,053,846	
09906	Cash Carryover	\$0	\$0	
<b>Total Transfer out</b>		<b>\$4,582,340</b>	<b>\$5,047,121</b>	
<b>Remaining Funds</b>				
		\$0	\$0	
<b>Total Expenditures</b>		<b>\$4,582,340</b>	<b>\$5,049,621</b>	

**City of Jacksonville**  
**Comprehensive Annual Financial Reports (CAFR)**

The City of Jacksonville is required to complete annual Comprehensive Annual Financial Reports by March 31 of each year. This report includes an audit of the Community Redevelopment Areas and can be located on the following link:

<http://www.coj.net/departments/finance/accounting/comprehensive-annual-financial-reports>

Reading these reports online requires Adobe Acrobat Reader. If you do not have Acrobat Reader, you may link to [Adobe](#) for a free download. Note: These are large files and may take several minutes to download.