



ECONOMIC DEVELOPMENT TRANSITION COMMITTEE
DOWNTOWN DEVELOPMENT

Date: Monday, July 24, 2023

Time: 8:00am – 12:00pm

City of Jacksonville Public Library-Main Library/Downtown
303 North Main Street, Jacksonville, FL 32202
Multipurpose Room (located in the Conference Center)

MEETING MINUTES
MONDAY, JULY 24, 2023 – 8:00 A.M.

Location: City of Jacksonville Public Library-Main Library/Downtown, 303 North Main Street, Jacksonville, FL 32202 - Multipurpose Room (located in the Conference Center)

Economic Development Transition Committee Members Present: Ed Randolph, Tony Allegretti, E. Shawn Ashley, Jake Gordon, Anna Lebesch, Dr. Carlton Robinson

Economic Development Transition Committee Members Excused: Pat Gillum Sams, Monica Hernandez, Shannon Denson, and Allan Iosue

Representing the Office of General Counsel: Reece Wilson

OED Staff Present: Ella Sherrod, Small Business Project Manager and Michelle Stephens, Executive Assistant

CALL TO ORDER/WELCOME

Mr. Ed Randolph, Committee Chair of the Economic Development Transition Committee Downtown Development called the meeting to order at approximately 8:09 a.m. A quorum was confirmed.

Mr. Randolph worked with individual members of the ED Transition Committee to help identify and assemble the professional experts needed to help explore the specific topics of interest put forth by Mayor Deegan.

- 1) Ed Randolph - Chair, Economic Development Transition Committee and ED Projects lead
- 2) Dr. Carlton Robinson - Chief Innovation Officer, JAX Bridges (Downtown Development Ladders lead)
- 3) Tony Allegretti - Entrepreneur/Past CEO of Jacksonville Cultural Council (Downtown Development lead)
- 4) Jake Gordon – CEO, Downtown Vision, Inc. (Downtown Development)
- 5) Allan Iosue - Director of Strategic Accounts, Haskell (Permitting lead)
- 6) Anna Lebesch - Senior Vice President of Strategy and Talent Development, JAXUSA (Talent Development lead)
- 7) Monica Hernandez - President, First Coast Hispanic Chamber of Commerce
- 8) Shannon Denson - President, Jacksonville Black Chamber of Commerce
- 9) Pat Gillum Sams - Founder/CEO, The Sistah Covenant

10) E. Shawn Ashley - Broadline Distributor & 3rd Party Logistics Provider, EDC3

Around the table introductions were made by the Economic Development (ED) Transition Committee Members that were present.

Mr. Randolph commented that we will hear from a cross section of stakeholders within our downtown ecosystem. Mayor Deegan is very eager to see downtown become a destination for not only those in the NE Florida region, but from around the world. Our downtown has great attributes both natural and from a business perspective so there is no reason why we should not continue to see greater investment and work downtown over the next four years.

DOWNTOWN INTRODUCTION

Mr. Allegretti assisted with gathering various individuals who work in the Jacksonville Downtown Development Ecosystem, including Downtown Development owners and individuals that represent government and non-profit organizations that aid downtown development.

Mr. Allegretti commented that while we won't be able to address all stakeholder input today, we will have a good framework. They are going to talk about the challenges and how to make the challenges opportunities. Mr. Allegretti has been part of downtown since 2003 when he started Art Walk with Downtown Vision, Inc., he is a stakeholder owning the building that Burrito Gallery is in since 2004, still a partner with Burrito Gallery they have a location on the Northbank and in Brooklyn, he was on the original Downtown Investment Authority Board back in the early 2000's and is very familiar with the Northbank and Southbank Community Redevelopment Areas (CRAs). He added that we know that these meetings are one way we can impart information to the Administration and really help to make some improvements for downtown.

Subject Matter Experts included

- Larry Hazouri, Downtown business owner and retailer (Desert Rider)
- Lori Boyer, CEO Downtown Investment Authority (DIA)
- Jake Gordon, CEO Downtown Vision, Inc. (DVI)
- Kay Ehas, CEO of Groundwork Jacksonville, the City's non-profit partner in creating the 30-mile Emerald Trail
- Allan DeVault, Executive Director Build up Downtown
- Alan Bliss, CEO of the JAX Historical Society
- Ginny Myrick, CEO & President of the Cathedral District Jacksonville
- Jason Hunnicutt, Co-owner and operator of multiple entertainment and restaurants in downtown (1904 Music Hall, Ocean St. Tacos, Spliffs Gastropub and Underbelly)
- Jerry Rodriguez, Co-founder, MFG MERCH (Downtown Light Industrial)
- Cyndy Trimmer, Commercial Real Estate Attorney with Driver, McAfee, Hawthorne & Diebenow (DMH&D)
- Brain Moll, CEO Gateway Jax
- Jim Gilmore, The Southern Group

Mr. Larry Hazouri (Desert Rider) and longtime downtown retailer

Mr. Larry Hazouri commented that he has been involved with downtown since the late 1960's and opened his first business in 1969. When he first got started downtown, downtown was a different place than it is today and it will never go back to what it used to be. We are not going to have any larger department stores and that sort of thing. He thinks that the biggest change that has happened downtown is with population.

Population is a cure for most of the problems downtown. The Merchant's Association was the group involved with getting the library, federal courthouse, city hall into at that time was Hemming Park because Hemming Park was a terrible place. It stabilized the people that work there and it also enables those people to eat, live and shop downtown. If you want to bring downtown back you have to get more people downtown. In the mid 1980's there were 7,200 – 7,300 people downtown and now there is around 2,700 – 2,800 people. When you have that big of a drop in population it hurts everybody in the downtown area. When he first started downtown, they had the home office of Barnett Bank, Atlantic National Bank, Independent Life and American Heritage home offices and these businesses brought a massive group of employees to downtown and it stabilized downtown and downtown thrived because of that. People are more interested to live downtown if they work downtown.

Mr. Larry Hazouri commented that those folks have since moved out and does not think that the city has worked hard enough on getting large companies to move downtown. He understands that it is a hard sell and the main reason it is a hard sell is parking. If you are a company with 2,000 employees looking to bring your company to Jacksonville you will consider the Southpoint area where there is free parking and close to shopping, etc. whereas if they come downtown, they would have to pay for parking, the rent is high. It's impossible to compete the way it works right now. We would have to be able to go after the people have a very dense population of employees and not the mom and pops, but the several thousand employees adding that we have not done that in the past. At least not in the last few years. He commented that he was very upset about Wells Fargo. Wells Fargo made a comment that the reason they were coming to the southern part of the United States and they end up choosing California. He would like to know who tried to sell downtown to Wells Fargo.

We have to jump on the larger companies that come downtown that is the only way we are going to build the downtown population. We are 30,000 – 40,000 people short from where we were in the 1980s and that makes a big difference.

He mentioned that it is a difficult situation downtown with the homeless and the street people with mental health issues. If we want to have a nice downtown, we have to get some control over the issue.

Lori Boyer, CEO Downtown Investment Authority (DIA)

Ms. Boyer advised that in addition to today's PowerPoint presentation (attached), she has sent each Transition Committee Member a longer version of her presentation that elaborates on the goals of the DIA. Additionally, she will be distributing papers on each of the downtown projects both public and private, which is about 100 that will include bullet points on each project, each infrastructure project and each of the private development projects.

Ms. Boyer reviewed the following:

- What the Downtown Investment Authority is and what it does.
- Downtown Tax Increment Finance (TIF) Districts
- Downtown (DT) Development Master Plan, goals of the Master Plan
- DIA's short-term Strategy (1-3 Year Out)
- Downtown residential growth projections
- DIA incentive programs
- Return on Investment >1
- Business Increment District (BID) Plan Incentive Programs
- DIA incentive approval process
- Downtown Development Review Board (DDRDB)

DDRDB Challenges and Opportunities

1. Application Forms

Challenge: Different types of information are required for various applications (e.g., sign exception, conceptual approval) despite there being only one DDRDB application form, causing confusion.

Solution: Create individual applications by application type. Can be implemented at staff level. Ability to sign and submit electronically should be explored.

2. Authority for issuance of approval (i.e. staff review only or DDRDB review)

Challenge: Certain items that require DDRDB approval by Code, are straightforward and Board approval is unnecessary. Example: All signs require DDRDB approval regardless of whether they are replacements or tenant signs.

Solution: Amend Code to permit staff approval of replacements for signs previously approved by DDRDB if signs are same or smaller size, in same location and of similar type. Also authorize staff approval for tenant signs that adhere to the Zoning Code.

3. Public Parks/Roadway Projects

Challenge: Lack of clarity on whether DDRDB approval required, inconsistent application of process and perception of unfairness to private developers.

Solution: Expressly identify these projects as requiring DDRDB approval at the conceptual level only, with staff review at the final level for consistency with conceptual recommendations.

4. Private Development Sidewalk-only or Vehicle Use area-only (i.e. Surface Parking Lots) Projects

Challenge: Zoning Overlay regulates development of parking areas and sidewalks (e.g., landscaping, hardscaping, furnishings), but only authorizes staff level approval for unconstrained street projects. Often wastes Developer and Board time on straightforward reviews.

Solution: Amend Code to authorize staff level approval for all parking area only or sidewalk only projects unless deviating from the Design Guidelines or Zoning Code.

5. Deviations from Building Design Standards

Challenge: Zoning Code requires workshops for all deviations, an additional procedural step. To reduce time, some deviations should be incorporated into the normal Conceptual – Final Approval process.

Solution: Eliminate workshop requirement for select deviations for properties not fronting the St. Johns River, Hogans Creek or McCoys Creek. The select categories are:

- Existing buildings
- Building entrance criteria for new construction
- Rooftop criteria for new construction

6. Modification of two-step review process in certain circumstances

Challenge: Some projects require approvals from more than one agency, adding time to the process, and essentially limiting scope of DDRB review. The normal conceptual/final approval process is unnecessary in this case.

Solution: For building's subject to historic review, modify Code to require one DDRB review only after issuance of Certificate of Appropriateness by the Historic Preservation Section.

DIA challenges

- 1) Hiring highly qualified job candidates remains a challenge- currently 2 vacancies and one new hire beginning 7/31 (3 of 12 total positions vacant) – Salaries, marketing of openings, competition with private sector
- 2) Compliance with state law changes governing Community Redevelopment Agencies has made our work much more difficult within the context of COJ accounting, procurement, and interdepartmental implementation
- 3) Increases in construction costs and interest rates are impacting development activity-our adopted programs don't cover the gap for new construction
- 4) Timely delivery of capital projects and impact on adjacent development - procurement; Public Works and Parks capacity to manage so many projects
- 5) Time delay between DIA Board approval and filing of legislation – OGC drafting, DIA review

- 6) Getting the word out about real Downtown successes, public frustration over private renderings that are never built
- 7) Perceptions about safety and Downtown homeless population
- 8) Maintaining quorum of DIA and DDRB Boards

DIA short-term and quick wins

- 1) Adjust salary ranges for positions and promote job openings through trade organizations & publications
- 2) Eliminate the requirement for MBRC approval to file legislation that has no general fund appropriation
- 3) DIA to create new incentive programs using DIA resources that target small businesses
- 4) DIA to streamline application forms and review process for smaller incentives
- 5) Appoint additional board members to fill vacancies

DIA core recommendations

- 1) Evaluate need for and develop a consistent approach to general fund incentive requests that exceed current programs
- 2) Make changes in procurement process to expedite contract bidding and award process
- 3) Consider additional staffing or resources for Parks, Procurement, Public Works project management and OGC

DIA short-term and quick wins

- 1) Work with new accounting software and Finance Department to make system more compatible with CRA requirements
- 2) Make changes in accounting system and payment system for incentive recipients (treated just like a vendor)
- 3) Initiate legislation to modernize ordinances applicable to parking
- 4) Re-evaluate enterprise funds for parking should garages that are primarily for city employees be excluded

Jake Gordon, CEO Downtown Vision, Inc. (DVI)

Mr. Gordon reviewed a PowerPoint presentation (attached). Mr. Gordon talked about who DVI is and what they do.

- Not-for-profit organization with both a 501(c)6 nonprofit business association and a 501(c)3 charitable organization
- Provides a wide range of revitalization services and improvements for downtown property owners
- For every \$1 of commercial property assessed, DVI leverages an additional \$1.40+ in additional support, via voluntary contributions, grants, sponsorships & other fundraising

- 30-person diverse Board of Directors with robust input and guidance from stakeholders
- Implementation of (and ample funding for) the City's Downtown Master Plan (including DIA's CRA and BID Plan)
- A strong sense of place through public investment and meticulous maintenance
- A welcoming environment where absolutely everyone feels safe
- More things to do! (restaurants, retail, culture, events & tourism amenities)
- An accessible and connected downtown focused on people not cars
- A resilient and historically preserved downtown
- Eased barriers to development (streamlined permitting & incentive support)
- A more livable downtown with all the things that contribute to overall well-being
- 80% of DVI's budget covers DVI staff and ambassador staff. They have grown from 11 employees in 2015 to almost 30 employees.
- As downtown grows there is a need for more ambassadors to help keep downtown clean and safer
- Extensive stakeholder outreach and communication
- New office housed in the Duval Street Parking Garage
- Approximately 1,500 property owners they connect with every day that includes retail, residents and businesses
- Research, marketing, parking
- Collect, analyzing and share downtown's data
- Extensive information gathering like detailed resident, employee & visitor survey Program
- Annual State of Downtown Report
- High profile events (First Wed. Art Walk, Jacksonville River Jams sponsored by VyStar CU, Sip & Stroll sponsored by PNC)
- Public Private Partnerships make the city better
- Placemaking – Getting started engaging the community and creating a vibrant sense of place
- Recent focus groups to gain additional valuable feedback from developers, real estate experts, community leaders and others.
- Homelessness is an economic development issue – need more strategies as it relates to enforcement. Number 1 complaint from survey.

Downtown Vision, Inc. Recommendations

- Downtown is different. Rules, plans and standards should reflect downtown's unique character, dense environment, walkability and public transit options.
- We get the downtown we support. Sufficiently funding the DIA & the Master Plan is essential, specifically infrastructure improvements today and future maintenance at future prices.

- Appearances matter. Improve the built environment, public realm and parks (including landscaping throughout) to make downtown feel like the premier center it is for Northeast Florida.
- Raise the standards. Investments in build environment and police and ambassadors are essential to keep downtown feeling “Clean & Safe” because “dirty & dangerous” does not work.
- Homelessness affects everyone. Getting people off the streets helps them & helps downtown. Invest in rapid rehousing with wrap around services for vulnerable individuals as well as affordable housing.
- Invest in tourism. Attractions and amenities for visitors – especially those that capitalize on our riverfront – improve the quality of life for all residents.
- Invest in arts & culture. Downtown Jacksonville is the nexus of arts & culture and must support & embrace the cultural community who is essential to creating identity and a sense of place.
- Tell the story. Bolster efforts to attract visitors and residents to our Downtown as a premiere destination with something for everyone: one-of-a-kind amenities, local businesses and the river.
- Make events easier. Lower barriers to event permitting to invite and support smaller event producers, while also recruiting other national events to Downtown.
- Invest in placemaking. Support community driven placemaking best practices that foster an engaged creative community, who will produce cool things that make our downtown more vibrant.

Allan DeVault, Executive Director Build up Downtown

Mr. DeVault reviewed a PowerPoint presentation (attached). He provided an overview of Build Up Downtown’s Mission, Vision and community impact. They started in September 2021 and are the newest downtown focus group.

Build UP Downtown Goals

- 1) Office. Increase commercial office utilization, occupancy and job growth to reinforce downtown as the region’s epicenter for business.
- 2) Residential. Increase rental and owner-occupied housing downtown, targeting diverse populations identified as seeking a more urban lifestyle.
- 3) Retail. Increase and diversify the number and type of food and beverage, retail and entertainment establishments within downtown.
- 4) Activation. Increase the vibrancy of downtown for residents and visitors through arts, culture, history, sports, theater, events, parks and attractions.

- 5) Safety, Accessibility and Wellness. Improve the safety, accessibility and wellness of downtown Jacksonville and cleanliness and maintenance of public spaces for residents, workers and visitors.
- 6) Pedestrian and Bicycle. Friendly Improve the walkability/bikeability of downtown and pedestrian and bicycle connectivity between downtown and adjacent neighborhoods and the St. Johns River.
- 7) Value the River. Capitalize on the aesthetic beauty of the St. Johns River, value its health and respect its natural force, and maximize interactive and recreational opportunities for residents and visitors to create waterfront experiences unique to Downtown Jacksonville.
- 8) Streamline Government. Approvals and Processes Simplify and increase the efficiency of the approval process for downtown development and improve departmental and agency coordination.
- 9) Preserve and Restore. Adaptively reuse the remaining historic building stock and reenergize vacant storefronts while honoring the unique historical character of the property and its surrounding downtown neighborhood.
- 10)Market and Promote. Amplify the efforts, successes and requirements necessary to achieve the desired outcomes of the plan through transparent communication and active engagement.
- 11)Build with Resilience. Adhere to city resilience practices that will allow developments to prepare for, adapt to, and quickly rebound from acute shocks and chronic stresses, both natural and economic, the city may face for a safe and thriving future.

Build UP Downtown Recommendations

- 1) Increase marketing of downtown to Jacksonville residents through funding and capacity
- 2) Replicate Tampa and St. Petersburg by creating a Riverwalk Specialty Center
- 3) Allow shared use of right of way
- 4) Change policy to unlock activation and activities
- 5) Fully fund riverfront parks
- 6) Connect riverfront parks and public spaces by adopting 'Activating Jacksonville's Riverfront'
- 7) Enhance maintenance for landscaping and physical assets through funding and capacity
- 8) Enhance maintenance for landscaping and physical assets by leveraging existing technology
- 9) Continue to incentivize transformational projects
- 10)Continue to evolve residential incentives based on market conditions

Kay Ehas, CEO of Groundwork Jacksonville

Ms. Ehas reviewed a PowerPoint presentation (attached). The Emerald Trail will be a 30-mile trail within the park system and includes the ecological restoration of McCoy's and Hogan's Creeks. She provided an overview of who Groundwork Jacksonville is, how they go about their work, the value of the public/private partnership, the project's benefits and their funding model.

They have made significant progress in four years adding that it is more than building a trail. She hopes that the takeaway today is that we must work together to complete the project working with communities and within an efficient timeframe.

She announced that on November 7, 2023 there will be a ribbon cutting on the LaVilla link of the Emerald Trail.

Groundwork Jacksonville Recommendations

- Contract directly with design firms to keep the project moving. If a change is needed, it can be made immediately versus waiting six months on the city process
- Importance of public/private partnerships
- Vacant downtown parcels are needed for the Hogan's Creek project. The city does not have capacity for land acquisition both from a human resource perspective and funding.
- It's important that the city not sell, trade or giveaway any parcels near the creek until the design is more advanced
- It is also very important that every city department understand the scope of the trade off in the creek restoration projects.
- As an example, OED negotiated a lease on city land with a developer and that land is needed for Hogan's Creek.
- The Union Terminal site plan puts parking where we may need room for the creek.

Alan Bliss, Chief Executive Officer of the JAX Historical Society

Mr. Bliss advised that he was here as a citizen who is and has long been an ardent advocate of downtown revitalization and renovation and as CEO of the Jacksonville Historical Society and the Jacksonville History Center. They are downtown stakeholders in their campus on the eastside of downtown within the DIA downtown jurisdiction where they manage four historic properties. He commented that historic preservation is economic development.

Historic preservation and historic buildings, infrastructure, streets, bridges all have stories and they accumulate those stories over time. The stories become more complex and citizens share those stories over time and as they do as they learn those stories and as they share those stories with each other and with their visitors and people they are talking to from out of town about their city, they invest themselves more fully in those stories and in the places that they are sharing those stories about. In the process of doing that, they become better citizens and newcomers and visitors to places like Jacksonville sense that, hear that and they invest themselves in the engagement and interest with that place. Historic preservation is a tangible investment in the future of a place. The Riverside Avondale area is a good example of historic preservation.

Jacksonville Historical Society Recommendations

- Historic Preservation is tangible investment in the future of a place.

- It is sometimes difficult to reach or even calculate with precision the economic return on investment of historic preservation and it can be daunting to achieve a performance metric in calculating that ROI in the present moment.
- Emphasized public investment and public support for historic preservation.

Ginny Myrick, CEO & President of the Cathedral District Jacksonville

Ms. Myrick reviewed a PowerPoint presentation (attached) and a two page handout (attached) of the Cathedral District chronological progress from 2016 to the present. She provided an overview of who the Cathedral District is, how they operate and what they have done.

Cathedral District Jacksonville Recommendations

- Sell city owned land in the Cathedral District other than land needed for groundwork Jacksonville
- Use the sale proceeds from the land as grants for historic landmark church renovations or park improvements
- Significantly increase Code Enforcement Officers
- Code Enforcement is complaint driven not code violation driven
- Code Enforcement needs to site nuisance property NOT just those who have complaints filed against them. They will pass violations on their way to the property they are filing a complaint against
- Host historic church tours in the district that are more organized and formal
- Focus on market rate residential housing. Need to have healthy neighborhoods with a balance of mixed income, someone who supports the retail and mixing that with affordable housing

Jason Hunnicutt - Downtown Retailer (1904 Music Hall, Ocean Street Tacos, Spliffs Gastropub and Underbelly)

Mr. Hunnicutt spoke from his point of view as a retailer in downtown Jacksonville. He has been around for about 11 years in the elbow entertainment district of downtown Jacksonville on Forsyth, Ocean Street and Bay Street.

Recommendations:

1. Lighting. As to ambient lighting (as opposed to decorative or lighting of signage) DIA has engaged Haddad Engineering to perform lighting studies in multiple areas of downtown , which has led to several phases of additional lighting installations. The most recent study was completed about a year ago and there is \$500,000 in this year's CIP that will allow Public Works and JEA to implement many of the recommendations.
 - In addition to the existing streetlamps, additional freelance would be an easy win. Would require a funding source
 - Switching all lighting to LED lights so they are more cost efficient and bright

- Architectural lighting in public parks such as Friendship Fountain as well as on public buildings and parking garages
- Suggested a Façade Grant separate from the project that focuses on lighting
- Illuminate directional signage downtown particularly to parking garages, sports districts, art, restaurants, etc. More descriptive and easier to navigate.
- JTA Bus Stops – unified color
- Riverwalk needs a lot of improvement needed to illuminate the river and Riverwalk. **Ms. Boyer noted that DIA has a CRA funded project that will include Riverwalk lighting enhancements.**
- Color lighting something similar to the Gas Light District in San Diego. **Ms. Boyer noted that THE 2022 Downtown Plan incorporates Neighborhood branding standards that set colors, mood, street furniture and light fixture styles, plant material, etc. by neighborhood as suggested.**
- Fix existing lighting around downtown that does not work. **Ms. Boyer noted that the Role of the Noel Famy in Public Works to report and monitor repair timing (JEA does most of the repairs)**

2. Landscaping

- Setting downtown apart from the rest of the city. Provide additional planters, plants. Mentioned that Riverplace Blvd. on the Southbank looks amazing
- Address overgrown planters, sidewalks, broken pavers, improve drainage
- Specific foliage for downtown
- Trash not picked up on Sundays after events and concerts that leads to excess trash downtown on Sundays for gameday and other events
- More DVI Ambassadors. Add a night shift of ambassadors downtown
- More public art to include lighting to display the art at night

3. Safety

- Change the perception that downtown is not safe
- Add night shift ambassadors
- More lighting
- Increase JSO night patrol by foot and/or bike – better monitor the area
- Ask the news not to broadcast stories from downtown that do not take place downtown

Jerry Rodriguez, Downtown Light Industrial (MFG Merch)

Mr. Rodriguez owns a clothing manufacturing company downtown called MFG Merch. They make apparel for brands, businesses, people in the music industry and events. They also have a commercial real estate investment company that owns quite a bit of commercial industrial property around Talleyrand and the urban core. He noted that he has employees in light industrial space as well as a property owner of light industrial space.

Positive observations:

- There are a lot of businesses in their space.
- Affordable in Jacksonville to find affordable industrial space to operate a business
- Downtown is centrally located

Recommendations:

- Incentives for small businesses investing in 2,500 to 20,000 square feet of light industrial space in the urban core
- Incentives for the Industrial Light business sector and other small business moving their business to downtown
- The Certificate of Use process is difficult and lengthy. It can take 6-8 months to open a business
- Infrastructure and Public Works. The area at the corner of Talleyrand and Gator Bowl Blvd. off the Hart Bridge floods within less than one hour of rain, which is the main entrance to the light industrial sector.
- Has been working with the city for about a year for a resolution. City acknowledged that it was an issue, but not a priority.
- There are enhancement programs that DIA puts out and enhancement programs that the city puts out, but they do not communicate.
- Being able to communicate with different city organizations.

Downtown Developer Input (Brian Moll, Jim Gilmore and Cyndy Trimmer)

Brian Moll, CEO Gateway Jax, a company focused on real estate development in the urban core of downtown Jacksonville provided an overview of Gateway Jax.

- Project level incentives are necessary and important if we want a thriving, urban walkable downtown Jacksonville
- Highlighted the Water Street Tampa Project as an example for downtown Jacksonville
- Rents in downtown Jacksonville do not support the construction of new market rate multi-family and mixed use buildings
- Close the capital improvement gap
- Completion grants are necessary and needed for transformational change
- DIA should have some discretion on ROI requirements
- Place timeframes on approvals adding additional milestone requirements necessary, require stronger sponsor equity memos. This will separate the real deals from those that don't have the sponsorship or the ability to move forward and not reserving city financial resources for deals that are not real
- Require a proven track record in development downtown and demonstrated development elsewhere
- Public investment into transformative large scale downtown projects will be one of the best investments the city can make in the near term and will pay dividends for citizens and taxpayers for years to come.

Jim Gilmore has been involved in downtown development for over 40 years.

- Redevelopment requires public and private partnerships
- You have to be patient when working with the government. Winning takes longer than losing
- Time is money for a developer. When a developer has to get in the que for a project to be reviewed and then in a que to get legislation adopted and then go through the City Council process. Process needs to change. Needs to be more assistance in the Office of General Counsel and more assistance in the DIA to move projects along.
- Continuing emphasis on infrastructure and working with the Jacksonville City Council to fund money for infrastructure. It is important for a developer to know that at least it is coming because that makes a difference.
- Maintenance. DIA is responsible for parking lots. **Ms. Boyer noted that DIA only does city-owned parking lots – in general most lots are private and Code Compliance must enforce maintenance requirements.** Public Works is responsible for other pieces of maintenance. .
- Strongly recommend that the Public Works Department and the DIA work out an arrangement for DIA to be responsible for other general maintenance items downtown. Use DIA funds to be responsible for general maintenance downtown and remove the responsibility from Public Works.
- Incentives. Referenced an incentives memo written by Lori Boyer in June 2023, as it relates to how we recognize and deal with incentive changes that need to occur.
- The market has changed and we know the cost to construct and what is available now as it relates to rental rates for whatever type of project it is, we have to have incentives to make it work.
- Specific recommendation to move on quickly. Change the definition of Return on Investment from 1.0 to something less. Noting that every project needs to be evaluated separately.
- Decrease the ROI based on current market conditions, or for a specified timeframe.
- The current programs need to be changed and there must be flexibility. Build flexibility into the programs to make that work.
- Completion Grants can make a very big difference. Noting that city money goes in last.

Cyndy Trimmer, Land Use Lawyer with Driver, McAfee, Hawthorne & Diebenow.

- Jacksonville is 20% more expensive than Orlando or Tampa because Jacksonville has limited local resources from a subcontractor base and challenging to get the materials needed for the type of catalytic projects that we want to see off the ground. All of those things going on behind the scenes causes escalation in costs.
- What can we do with incentives to level the playing field for downtown and to make it competitive. Infrastructure improvements are essential, but the organic growth that is going to be stimulated from the infrastructure improvements are going to pay dividends years from now.

- Millions of dollars are set aside for CIP for infrastructure projects. There is a problem getting the CIP dollars on the street. CIP dollars and incentive dollars are not competing. Incentive dollars are coming from a completely separate fund. We can and need to do both.
- Look at the Tier system.
- REV Grants work, but REV Grants are not enough for the type of catalytic projects they want to see that are going to bring real density, with ground floor activation and resilient construction types.
- Developers need assistance getting through the construction phase of a project.
- ROI of 1 to 1 does not work with the short term economic conditions

V. PUBLIC COMMENTS

- Jack Shad. Change the structure of the DIA so it can operate as it was intended to operate.
- Susan Gavin, Scenic Jacksonville. Protect hardwood trees. Create more green space. Need a place where people want to visit.
- Nancy Powell, Scenic Jacksonville. Need more public space along the riverfront, need a resilience strategy.

VI. ADJOURNMENT

There being no further business, Mr. Randolph adjourned the Economic Development Transition Committee Downtown Development meeting at approximately 11:24 a.m.

The written minutes for this meeting are only an overview of what was discussed. For verbatim comments of this meeting, an audio file of the meeting is available in its entirety upon request. Please contact Michelle Stephens at (904) 255-5452, or by email at msteph@coj.net.