

Office of Economic Development



JIA CRA Meeting
City Hall at St. James
117 West Duval St., 4th Floor, CR E
Thursday, November 15, 2012 – 4 p.m.

Board Members Present: Vice Chairman Warren Alvarez, Chairwoman Melody S. Bishop, Lad Daniels, Paul Schmidt, and Michael Stewart

Board Members Absent: Andy Sikes and Calvin Burney

OED Staff Members Present: Karen Underwood and Karen Nasrallah

Board Liaison & Visitors Present: Councilman Ray Holt; Richard Berry, Eden Group; Patricia Richters, RS&H; Ron Ratliff, RS&H; Jason Gabriel, OGC; Jim Catlett, Infinity Global Solutions; and T. R. Hainline, Rogers Towers.

I. CALL TO ORDER

Chairwoman Melody S. Bishop convened the JIA/CRA meeting at approximately 4 p.m., introduced members, OED staff and JAA staff.

II. ACTION ITEMS – Chairman M. S. Bishop

The following Items discussed simultaneously:

Resolution regarding Legislation 2012-492, plans to include:

- **Duval Road Expansion Project**
- **North Access Road Project**
- **Residential Use, Neighborhood Impact, and Affordable Housing element**
- **Resolution Regarding Legislation 2012-601**
- **Conduct study to update plan to include Residential Use, Neighborhood Impact and Affordable Housing element**

Resolution Regarding Legislation 2012-0601

- **Conduct Study to Update Plan to include Residential Use, Neighborhood Impact and Affordable Housing Element**
- **Amend Boundary**

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Councilman Ray Holt presented Ordinance 2012-492 and pointed out that this legislation would modify the JIA CRA Plan to add two road projects that were voted number one priority projects by the JIA-CRA Advisory Board. The North Access Road Project and the Duval Road Expansion projects will be added to the plan and would add the 755 acres that were added several years ago by City Council legislation but were never adopted into the plan. Councilman Holt has been conversing with General Counsel about how previous actions were made on deals with the CRA without having an accepted plan. Cindy Laquidara stated that plan has never been formally accepted.

Michael Stewart asked Councilman Holt about the 755 acres; Councilman Holt responded that this was the Benderson Property acreage on the northeast corner of I-95 and Pecan Park Road.

Councilman Ray Holt stated that Ordinance 2012-492 has been modified to add the two projects and a new housing element, which OGC stated was insufficient and needed to be redone. OGC suggested the board should outline a plan for how the two projects would be funded over the next three to four years. This would bring the plan into compliance and enables the board to move forward. There will be no more worries (as in the past) of funding being automatically swept. Councilman Holt wanted to ensure the members that this was a big step for the JIA CRA and he is looking forward to many years of great projects.

Councilman Ray Holt discussed Ordinance 2012-601, which appropriates \$27,000 to conduct a study what the OGC stated needed to be done in order to bring the plan into compliance. The housing element was insufficient so Lara Diettrich, Lara Diettrich Planning, was contracted for a new study that should be complete within the next two weeks and will be brought to OGC and the Planning Department for review and comments. Councilman Holt hopes to have these two bills before Committee and City Council by the first two weeks in December.

Warren Alvarez inquired about housing elements and what acreage would be referenced as housing. Councilman Holt responded that he was not pointing out any acreage to be housing. He referred to Jason Gabriel, OGC, for a better explanation on what needed to be done due to lack of information to justify slum and blight.

Chairwoman Bishop noted that the documents that were originally written preceded some of the changes in the concurrency plan. Jim Catlett noted when the CRA's were set up, they followed the statutes exactly. Either OGC has lost, misplaced or mis-recorded what was done. Every single step was by state statute and completely approved by the City Council in 1993. That plan was adopted but does not meet today's standards. Mr. Catlett that what is being done correctly is updating the previous work and amending to bring it up to the current standards. The housing element was not included in the other plan because it was not a requirement. There were not DRI's for a while and when they came in, the state changed many of the things with comprehensive planning because some of the things were not working with the DRI's and one

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was the housing element. There was nothing wrong with the original plan and those steps were skipped.

Lad Daniels referred to the housing element and expressed concern over housing in the buffer around the airport. Michael Stewart responded that there was already housing there.

Councilman Holt stated that Lara Diettrich was not establishing any particular areas for new housing. There is a lack of housing in that area and therefore we qualify to have a CRA. Of further note, Ordinance 2012-601 was approved at Council last night and Lara Diettrich promised to have the study done before Thanksgiving.

Lad Daniels suggested the JIA CRA Board make a recommendation to Council not to allow any housing development within the defined buffer area of the airport. Michael Stewart responded that the area has a Noise Contour of 60, which restricts residential development.

Warren Alvarez wanted to hear more of what the scope of study would be. Councilman Holt noted that he would bring any issues to Lara Diettrich.

Michael Stewart commented the intent of the study is to make the CRA compliant. As long as it is compliant, it does not open up the areas of concern addressed. Lad stated it would be specific to protect the airport for future references. Councilman Holt stated that next week, Lara Diettrich plans to give him the study and he will get comments from OGC and the Planning Department for adjustments and attach it to 2012-601 to go into Committee during the second week of December. Chairwoman Bishop requested a copy of the study shared prior to the comments from OGC and the Planning Department from Karen Underwood.

Warren Alvarez felt if Ordinance 2012 -601 was enacted on November 13, why bring it to the board. Chairwoman Bishop stated that we had not had a meeting in two months due to lack of a quorum and would accommodate comments from the board.

Chairwoman Bishop inquired if there was anything in Ordinance 2012-601 regarding increased boundaries. Councilman Holt responded that the increase of the boundary to add 755 acres is something that needed to be done to bring the plan into compliance.

T. R. Hainline, Rogers Towers, had not spoken with Lara Diettrich on the specific issue. He has done work for the Pecan Park Regional Activity Center, which had been proposed to be added. The final steps of adding that property have not yet been taken. Mrs. Lara Diettrich is not studying whether or not to add that property; her study is reporting on the status of all kinds of things within the CRA and she will state somewhere in that study what is going on with the property that is proposed to be added. She will not be adding any recommendations.

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T. R. Hainline indicated that two years ago (in 2009), there was council action for the finding of blight in regards to the 755 acres that precedes the step of incorporating into the CRA. The Council took action in 2009 for the Pecan Park rack, on the eastside of I-95 and approved the blight findings that precede the expansion of the rack. No action has been taken since then. Lara Diettrich informed T. R. Hainline that it was proposed to be added to her Study for the gathering of data to update the CRA. Her study is a collection of data to update the CRA Redevelopment Plan. For background, T.R. Hainline stated that he had worked on the 2009 ordinance for the property owner to expand the boundary.

Chairwoman Bishop asked Jason Gabriel, OGC, about the Ordinance 2012-601, referencing a boundary extension that the board was never aware of, and asked why that this boundary extension is required to happen. The boundary increase was not in Ordinance 2012-492. Mr. Gabriel referenced Resolution 2009-330, adopted in May 2009. This resolution pertains to the Community Redevelopment Plan for the Jacksonville International Airport Community Redevelopment Area ("JIA CRA") established by Ordinance 93-159-57, finding that a necessity exists for the rehabilitation, conservation or redevelopment of blighted areas known as the Pecan Park Road North parcel, defined, finding of necessity and blight for the inclusion of Pecan Park Road North parcel of approximately 755.21 acres into the JIA CRA; providing redevelopment goals; directing community redevelopment agency actions. Usually what happens is at the same time the plan itself is amended to reflect a change, such as the 755 acres, and to include projects and planned projects within the expanded area, which he does not believe has happened since 2009. Ordinance 2012-601 is a plan study and Ordinance 2012-492 would eventually become a plan amendment, which finally integrates the 755 acres into the plan itself. Usually the plan amendment and the boundary extension expansion happen at the same time. The boundary happened in 2009 and the plan has not been amended to reflect that yet. Ordinance 2012-492 intends to do that. Florida Statutes Chapter 163 requires that a finding of blight be done by resolution.

Lad Daniels commented that it seems like they are taking shortcuts to bypass the JIA CRA for recommendation. T. R. Hainline referenced Ordinance 2012 -492; it has nothing about expanding the boundaries. Jason Gabriel stated that the plan would be included as an exhibit. The plan amendment would include the 755 acres.

T. R. Hainline commented that Ordinance 2012-492, the funding of two improvements, is being mixed up with an intent on the part of OGC to finish what was started on the property in 2009. He went on to state that this is an issue that does not need to be resolved in this bill, or perhaps anytime, and this is confusing the intent of the bill, which is the funding of the two road improvements.

Richard Berry noted that the Benderson Corporation came forward with a development; they wanted to have an industrial development to match up with the railroads and have warehousing

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and residential further up, closer to I-95. The project came before the JIA CRA and was voted down and was then brought to the JEDC Director, where the project was reevaluated by staff and was not taken up by the JEDC Board. If you have blighted areas you are supposed to take the funds and enhance the blighted areas. Resolution 2009-330 was never taken up with the JIA CRA Board.

Karen Nasrallah commented on Resolution 2009-330, saying it was taken to the JEDC Board and approved by City Council for the findings of necessity. Councilman Ray Holt noted however that a redevelopment plan change was never accepted by City Council.

Jason Gabriel, OGC clarified that the two roadway projects are not within the 755 acres. T. R. Hainline and Jason Gabriel were in conversation with Lara Diettrich on what the finding of blight would do for the adding of that property. T.R. Hainline again mentioned that there is no reason for Councilman Ray Holt's bill to be bogged down and the issue should be set aside for future determination.

Jason Gabriel asked if it is the will of the JIA CRA Board and Council to separate the two legislations that deal with resolution 2009-330. T. R. Hainline advised it to be referenced in Lara's study as something that happened and she will report the data.

T. R. Hainline stated Lara Diettrich is looking at the data on the property and she could report her findings and mention the finding of blight as a fact and that would be the end of it. It does not need to be shown in the redevelopment plan because it is not currently in the plan and there is no reason to take the extra step.

Karen Nasrallah commented that the only thing that 2009-330 did was establish it as blighted. Jason Gabriel stated 2009-330 has to be dealt with for the blighted study. He commented that he is walking into something he is not aware of.

Lad Daniels suggested that we exclude the 755 acres from the boundaries of this study at this point and time. Michael Stewart wanted clarification-is it somebody's estimation that the 755 acres has to be in the legislation to meet the minimum standards of the existing CRA? Jason Gabriel responded that the 755 acres has been identified in Resolution 2009-330 as an area to be annexed. Michael Stewart asked if the board could make the current boundaries of the CRA come into compliance with an updated study. Jason Gabriel responded that the plan amendment is being proposed with the two projects and the residential element and if it is an affirmative decision to exclude the 755 acres, he advised to state this in the plan.

The JIA CRA Board supports 2012-601 revision of what is necessary to bring the current JIA CRA into compliance without any additional acreage whatsoever. Lad Daniels added specific language with the assurance that there will not be anything to affect the expansion of the airport,

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as far as housing. Councilman Ray Holt was in agreement with the motion and would include the language in the study and forward to Lara Dietrich. 2012-601 has passed through Council and can be referenced in 2012-492 with those criteria

Chairwoman Bishop inquired if the 755 acres is a positive step for the CRA and economic development of our City. T. R. Hainline stated the people that own the 755 acres are his clients and are perfectly happy to have no decision made on Resolution 2009-330-A at this time.

In 2009, the residents were pursuing that and obviously, there have been only small economic adjustments since then. He could not speak on what the clients would want in the future but did not think they wanted to take the possibility off the shelf. The residents have never asked for it to come up in the context of 2012-492.

Lad Daniels commented that the JIA CRA Board could have a discussion on the expansion of the boundaries at a later date. The board is not exempt from discussing later due but should postpone due to a lack of information and confusion.

Michael Stewart pointed out that the board is supporting the housing study to bring the current CRA into statutory compliance and the current study would not allow any residential area that would be restrictive for expansion of aviation development. Lad Daniels added that the study would encompass the current boundaries of the CRA.

A MOTION WAS MADE AND SECONDED TO SUPPORT 2012-601 WITHOUT THE BOUNDARY EXTENSION AS PART OF A REDEVELOPMENT PLAN UPDATE.

THE MOTION PASSED UNANIMOUSLY 5 – 0

Ordinance 2012-492 appropriates \$10 million from the JIA/CRA tax increment district account to allocate funding to the Duval Road expansion project (\$375,000) and to the JIA North Access Road project (\$9,625,000). The funding for the projects will carry-over to the succeeding fiscal year. The bill approves a third amendment to the Duval Road Fair Share Agreement between the City and Signature Land, Inc./Signature Parkway, LLP for the Duval Road project. It also authorizes the execution of a JIA/CRA Proposed Improvements Development Agreement between the City and BKJ Development Partners, LLC for the JIA North Access Road project. Finally, the bill amends the 2012-16 Capital Improvement Program to reflect the revised cost of the Duval Road Improvements and declares the need for a mid-year CIP amendment so that the JIA/CRA funds can be encumbered for the project and not swept into the General Fund and lost to the district as a result of not being expended on a CRA project within the fiscal year.

Warren Alvarez expressed concerns on the sweeping of funds and mentioned being aware of two potential projects.

Councilman Holt advised the board if the plan is not approved with Ordinance 2012-492, the board would be back in the same situation as the last two years. In the past, agreements were

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made and funds to be set aside for various projects yet the funds were swept because there was not City Council approved updated Redevelopment Plan. This year Councilman Holt asked the Mayor's Office to set aside the funds and an agreement be made to not sweep the dollars and instead put them into a project. He was informed that they could not do that without Office of General Counsel's support. The funds would have to be swept, if there was an accepted redevelopment plan. At this point, the 2012-2013 CRA budget has already been swept. This year's budget includes the dollars from every CRA except the Beaches. He further stated that without Ordinance 2012-492 to identify Projects updating the redevelopment plan, this CRA is nothing more than an exercise of futility.

The North Access Road has been approved by the TPO and received \$11 million in funding already. James Bennett, FDOT, stated that they would fund an additional \$two million; FDOT was putting that in their line item budget for \$23 million. That is the \$10 million from the JIA CRA tax increment district and \$2 million more will be added to build that road the way it needs to be built. For \$11 million, it would be a two lane road with no turn lanes. What is needed is a road that would provide the kind of traffic off I-95 at Pecan Park and run down the north access road into Tradeport. This will fix the problem over on Duval Road and Airport Drive and would open up a lot of property to development, bringing major developments to that area. Of note, construction design has been done and the right-of-way was purchased.

Lad Daniels regrets that the board was unable to meet the last two months. The OED has a great chart that shows what is falling off and what revenue would be anticipated within the next several years. The board should review the chart because there are projects that have fallen off and many projects are coming on that would affect available funds in the future. The JIA CRA Board's top priority would be to get Duval Road finished. He supports Councilman Ray Holt's legislation. His concern is committing all of the JIA CRA funding for a single project [in addition to Duval Road] without any flexibility for any other projects.

Lad Daniels pointed out that the board had listed Duval Road as a top priority, and regrets that the board had not discussed how to approach funding projects. Councilman Holt asked if it would make the board feel more comfortable to add language to the resolution, stating that the board supports it at \$3.4 million annually. The TIF amount will be increasing with all of the new buildings coming online. Anything beyond that would remain available for other projects. Lad Daniels requested a workshop for the board to get an idea of how much money would come above what is already being received.

Councilman Holt hopes to have Ordinance 2012-492 pass through Council on the second week of December. The TPO funding has been set aside for this project and it would be perfect timing to have the JIA-CRA funds for 2013-2014 and 2015-2016 be allocated. Lad Daniels asked if we had a workshop in December, and the bill went through in January, would that jeopardize the DOT funds. Councilman Holt responded that the timing issue has nothing to do with the North

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Access Road.

Chairwoman Melody Bishop recalled that Ronnie Belton supports Duval Road and previously the JIA-CRA Board had been told that the \$3.4 million would be found from somewhere within the general budget. Councilman Holt stated that promises were made and were not followed through. Not sure if the Sheriff's last minute budget change had anything to do with the replacement of funds.

Councilman Holt stated if Ordinance 2012-492 passes, Leggett would move forward with the project and bridge fund it themselves knowing that by January 2013, the funding would be available to pay them back for carrying the project through. Karen Nasrallah responded that she believes it would be toward the end of the year and would check with Jorina Jolly.

T. R Hainline would be representing Steve Leggett with the Duval Road project and some landowners along the JIA North access road. The Leggett's have looked at this; approval of 2012-492 would have to come out in December for them to be able to bridge finance it and complete the road with reliance upon the funds becoming available at some point next year. Councilman Holt has discussed with the Mayor and the Council on funding the projects. When Council Member Holt pulled this together earlier this year, it was pulled together as one effort with many people supporting it together as one effort. The JIA CRA Board has jurisdiction and authority to make recommendations. In terms of project r.o.w. and design completion, James Bennet has gone 98 yards with only two yards to go.

Chairwoman Bishop asked if we could not provide support today because we need a workshop for further discussion, would we be able to meet next week. Michael Stewart advised the board to move forward with the funding for the Max Leggett parkway. Michael Stewart made a compromise motion to Councilman Holt if this could still maintain his timeline for Ordinance 2012-492, amended to fund Max Leggett Parkway. Councilman Holt would not support it if they were not a bundle to tie them together; it was his decision to tie them together in order to get the stakeholder's support. To remove three quarters of the bill is not a good idea and would like to move forward on the bill by the end of December 2012. Councilman Holt supports language added stating anything above \$3.4 million each year would be set aside for other possibilities.

Chairwoman Bishop stated that she was in support of Councilman Holt's bill and wished she knew the TIF projections five to six years from now.

Councilman Holt advised the board if Ordinance 2012-492 did not pass, there would be no funding next year; he has worked very hard in order to bring this CRA to a point where it would have an engine and would like consideration from the board for recommendations.

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Chairwoman Bishop expressed concerns of the funds being automatically swept. She asked the members what could be done to change it to start being appropriated for projects. Warren Alvarez responded that he is not against the road, but against all of the JIA CRA funding being swept for three years. He would like to see the Max Leggett Road project funded and a workshop on a separate bill.

A Workshop or Special Meeting was proposed to hear additional information on 2012-492; the motion for this Resolution was tabled until the Special Meeting of the JIA-CRA Advisory Board [see below under Information/Discussion].

III. INFORMATION/DISCUSSION ITEMS

Presentation by Reynolds Smith & Hills (RS& H) Access Management Study

Ron Ratliff, RS&H provided the following brief overview before it was decided to reschedule the presentation.

Mr. Ratliff stated that FDOT trust funds come from the federal government. The TPO funds come from the DOT, which is the federal government. Unless you can establish economic priorities of national significance and intermodal connectivity, you would not be compatible for funds. Tradeport would not have been built without the road expansions and the extension of the water and sewer that came through the CRA funding. The airport has completed a major master plan. They are proposing \$1 billion worth of capital projects over the next 25 years. The City does not have the funding to match the state and federal funding, so the idea was to tap into the CRA funding. If you do not get the FDOT together with the airport to solve these problems, you would not have economic development.

Ron Ratliff stated that RS&H was conducting this study on Access from a broader perspective on how they could improve accessibility to the airport, maximize the capture of federal funds to build facilities that would require some CRA funds for matching, and promote the right capacity for economic development.

The TPO model was based on the 1987 Master Plan and is out of date.

Chairwoman Bishop asked how long their presentation would take. Ron Ratliff responded that the presentation would take approximately 20 minutes. Chairwoman Bishop apologized that the meeting went over but has another commitment to attend. As it was then past 6pm, a Special Meeting was planned for November 27, 2012, at 8 a.m. for RS&H to come back and give their presentation as well as hear additional information on 2012-492. RS&H would be happy to meet on Tuesday, November 27, 2012 at 8 a.m.

Lad Daniels also requested a workshop and requested a spreadsheet to include the Tax Increment

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District Projections.

Michael Stewart stated if bonding was an option it would open up a discussion in terms of projects.

T. R. Hainline advised the board that somebody from OGC should be able to discuss bonding although noted that if we were considering bonding, you would have to use some of the City's bonding capacity, which may be allocated elsewhere.

The August meeting minutes will be reviewed at our next regular meeting on December 20, 2012.

II. OLD BUSINESS

Status of Board Appointments

There is no known action on Board Appointees.

IV. NEW BUSINESS

Appoint Nominating Committee

A nominating committee needs to be scheduled prior to our regular meeting for a slate of officers to be presented and approved in December for January 2013. Chairwoman Bishop nominated Andy Sikes as chair of the nominating committee, along with Calvin Burney and Michael Stewart.

V. BOARD LIASION UPDATES

None

VI. ADJOURNMENT

There being no further business, the meeting was adjourned at 6:45 p.m.

A special meeting is scheduled for Tuesday, November 27, 2012, at 8:00 a.m. The meeting will be held at City Hall at St. James, 2nd Floor in Conference Room E.

Melody Starr Bishop, Chairwoman