



November 16, 2020

Honorable Lenny Curry, Mayor
117 West Duval Street, Suite 400
Jacksonville, Florida 32202

Honorable Tommy Hazouri, City Council President
Honorable City Council Members
117 West Duval Street, Suite 403
Jacksonville, Florida 32202

Subject: Ordinance 2020-625 and "Lot J" Development Proposal

Dear Mayor Curry, City Council President Hazouri and Honorable City Council Members:

As an organization, the Jacksonville Civic Council is generally inclined to support economic development and downtown development proposals. We do not weigh in on every cause or proposal, and we do not rubber stamp when we do. We are committed to a deliberative review of data before supporting or opposing a proposal. And in broad concept but with conditions outlined below, we would support an initiative as significant as the Lot J proposal.

In terms of scale, the investment described in the proposal would be significantly more than the original costs of the football stadium, Arena and Baseball Grounds combined. As well, the creation of additional housing, retail, and another entertainment venue would go far toward reinvigorating a downtown that has long struggled to reach critical mass. This is appealing to us as downtown revitalization is a long time Civic Council goal. (As you may remember, JCC was the principal organization that recommended and helped establish the Downtown Investment Authority (DIA)).

When approximately half the funding for such a massive investment is slated to come from private sources, we are even more intrigued. It is always better to have a wealthy partner with a strong and long-term mutual interest in the success of an investment.

Finally, we believe that a project which helps protect the presence of the Jaguars in our small-market town is a significant positive for the community.



It is easy to argue that a location closer to the central business district, waterfront or Convention Center would be preferable for this development. However, the intent of the proposal is to spur residential, retail and tourism in the Sports Complex, which would, by extension, do the same for the rest of downtown.

Other questions raised by the proposal relate to the balance, terms, and scope of City financial investment. At this point, those details -- and the scope of mutual financing -- have been dissected by the City Council Auditor. The Auditor raises some issues that we would also question.

Based on the above, with the knowledge we have today, and with the conditions detailed below, we believe the City would be better with this project than without it. Our support for the Lot J proposal would be conditioned on the following four things:

- 1) ***Time for Review:*** Ample time must be provided for the City Council, Council Auditor, and the public to review the proposal. As Ross Perot once famously said, the devil is in the details. A rushed vote would leave too many questions, and raise the specter of details emerging later that would have been better dealt with in the original proposal.
- 2) ***Transparency:*** Documents, proformas, calculations, assumptions, projections, contracts, etc. must be made available to the City Council and the public. All direct and indirect costs and benefits related to the project must be included when assessing the deal. This includes a full cost breakdown for, and therefore definition of, the public infrastructure and commercially reasonable cost estimates for each component of the project. DIA review and disbursement procedures will ensure ongoing transparency and compliance with the City's internal financial controls.
- 3) ***Accountability and Contractual Protections for the City's Investments:*** A public-private partnership, by definition, includes both mutual protections and a long-term commitment to the City. Contractual terms must fully protect the City's financial investment. For example, if for some reason the football team were to leave Jacksonville at the end of its lease, what would happen to the project, and what risks are there to the City? As noted in the City Council Auditor's review of the proposal, there are several opportunities to enhance and improve the Ordinance and agreements to ensure that the City and the taxpayer are protected. Moreover, the DIA was specifically designed to oversee and implement large scale projects like this one to ensure compliance with the Downtown Master Plan and Chapter 163, part 3, Florida Statutes, by requiring an independent market analysis and providing oversight throughout the project implementation period.



4) **Financial Terms:** Financial terms must be reasonable for the taxpayer. The City's return on investment is often intangible, and thus harder to define. For example, the City spends several million dollars each year operationally in support of the Jaguars, but the presence of the team is of immense intangible advantage to the citizenry. The financial terms for both parties should align with the public's interest in a successful, long-term operation that will increase patronage and residents for the region and downtown.

Thanks to each of you for your public service.

Sincerely,

A handwritten signature in black ink, appearing to read "John Delaney". The signature is fluid and somewhat abstract, with a long horizontal stroke at the beginning and a large, sweeping flourish at the end.

John Delaney
Chairman

A handwritten signature in black ink, appearing to read "Jeanne M. Miller". The signature is written in a cursive style with a large, prominent initial "J" and a long, sweeping tail.

Jeanne M. Miller
CEO & President

Cc:

The Honorable Joyce Morgan
The Honorable Al Ferraro
The Honorable Aaron L. Bowman
The Honorable LeAnna M.G. Cumber
The Honorable Michael Boylan
The Honorable Reggie Gaffney
The Honorable Ju'Coby Pittman
The Honorable Garrett L. Dennis
The Honorable Brenda A. Priestly Jackson
The Honorable Danny Becton
The Honorable Randy White
The Honorable Rory Diamond
The Honorable Randy DeFoor
The Honorable Scott Wilson
The Honorable Terrance E. Freeman
The Honorable Ronald B. Salem
The Honorable Tommy Hazouri
The Honorable Matt Carlucci
The Honorable Samuel Newby