

STATE OF DOWNTOWN JACKSONVILLE

2014





DOWNTOWN JACKSONVILLE TODAY

Steeped in maritime and tourism history, Downtown Jacksonville was built (and rebuilt*) on spirited entrepreneurship. With former monikers such as “The Winter Film Capital of the World” and “Harlem of the South,” this river city by the sea sits squarely on the banks of the St. Johns River and is a quick 30 minutes to the Northeast Florida Beaches.

Today, Jacksonville is ranked **THE NUMBER ONE PLACE TO START A BUSINESS**, according to Wallethub.com (2014), and Downtown plays host to the World’s Crowdfunding Festival, One Spark, each spring. Just 20 minutes from Jacksonville International Airport, Downtown is easily accessible via interstates I-10 and I-95. With a population of more than 820,000—1.5 million regionally—Jacksonville is the 13th largest city by population with **THE LOWEST STATEWIDE COST OF LIVING, ONE THAT IS 9.4% LOWER THAN THE NATIONAL AVERAGE.**

With a greatly improved economy, the new Downtown Investment Authority (DIA) in place, and new Community Redevelopment Area (CRA) and Business Investment and Development (BID) plans approved, the stars are aligning to make Downtown Jacksonville one of the boldest riverfront downtowns in the country. Why can we say that? It’s easy:

- The City of Jacksonville and its authorities currently control more than 115 acres of publicly owned vacant land along our phenomenal Downtown riverfront. The DIA is expediting three catalyst sites: 1) finalizing the sale of the 28-acre former JEA site on the Southbank – with work to begin in late 2015; 2) bringing in an urban waterfront designer to work with The Jacksonville Landing to redesign seven central acres; and 3) receiving proposals for the development of the 48-acre Shipyards site near the Stadium Complex.
- The Brooklyn of the South booms again. The growth of Downtown’s Brooklyn neighborhood is creating connectivity between Downtown its vibrant Riverside-Avondale neighbor, with more than 600 new residential units and 18,000 square feet of retail slated for completion by the end of 2015.
- One-of-a-kind experiences make Downtown a sweet destination. Two privately managed commons, Hemming Park and Unity Plaza, will offer daily events and new festivals to

triple the number of people coming Downtown. Locally owned businesses are bringing new flavor to Downtown, including the Willy Wonka-esque Sweet Pete’s and Candy Apple Café and Cocktails; Jacksonville favorite Peterbrooke Chocolatier; and the charming Urban Grind Coffee Co. Over the next year, the high-end steak restaurant Cowford Chophouse will breathe life into the long-vacant Bostwick Building; Intuition Ale Works will bring the highly popular craft beer scene into Downtown; and Superfood & Brew will turn a food truck favorite into a stationary success. Retailers are looking to Downtown because of its central and affordable location and the DIA’s \$750,000 Retail Enhancement Grant Program.

- Downtown is central to an urban core that has some of the best-loved historic neighborhoods in the South, complete with thriving restaurant and nightlife districts, bike trails and an urban vibe that draws young Millennials to the area. The City is committed to building more Downtown housing and linking these neighborhoods through river transit, bike trails and more.

Take a bold step and awaken the opportunities of Downtown Jacksonville. Learn more at downtownjacksonville.org.

*The third largest fire in U.S. history, the Great Fire of 1901 burned 146 city blocks, destroyed more than 2,300 buildings and left almost 10,000 residents homeless.



JACOB A. GORDON ESQ.
Executive Director
Downtown Vision, Inc.

TERRY LORINCE
Former Executive Director
Downtown Vision, Inc.

DEBBIE BUCKLAND
Board Chair, 2014
BB&T Jacksonville Market President

STATISTICS+ ACCOLADES



\$498 MILLION

IN COMPLETED AND
ACTIVE DEVELOPMENT



\$260 MILLION

IN PROPOSED DEVELOPMENT

WHAT MAKES US UNIQUE:

2.5 square miles
2.77 miles of Riverwalk
115 acres of publicly owned riverfront
88 historic buildings*

DOING BUSINESS:

3 Fortune 500 headquarters
7.3 million sq. ft. of office space
1,100 businesses
49,000 employees**

BUILDING AN URBAN VIBE:

2,365 residences
620 units under construction
94 restaurants
26 bars and clubs

VISITING DOWNTOWN:

5,200 events annually
15 cultural + entertainment venues
2,153 hotel rooms
44,000 parking spaces

- Jacksonville was **NO. 1** on the **MOST IMPROVED MARKETS** list from September 2012 to September 2013 and **NO. 16** on the **TOP U.S. ECONOMIES** list. (On Numbers Economic Index - 2013)
- Forbes ranked Jacksonville **NO. 3** on its list of **TOP 10 CITIES TO FIND A JOB**. (2013)
- Jacksonville was ranked the **MOST SMALL BUSINESS FRIENDLY CITY** in Florida. (Kauffman Foundation - 2013)
- Forbes ranked Jacksonville **NO. 2** in the nation for **TECHNOLOGY SERVICES JOBS GROWTH**. (2013)
- Jacksonville was ranked the **SECOND-BEST CITY TO SAVE MONEY**. (GoBankingRates.com, 2014)
- Jacksonville was ranked a **TOP 12** metro area for **ATTRACTING MILLENNIALS**. (New Geography, 2014)
- ConventionSouth voted Jacksonville the **BEST CITY FOR CULTURE** for meetings and conventions. (2014)

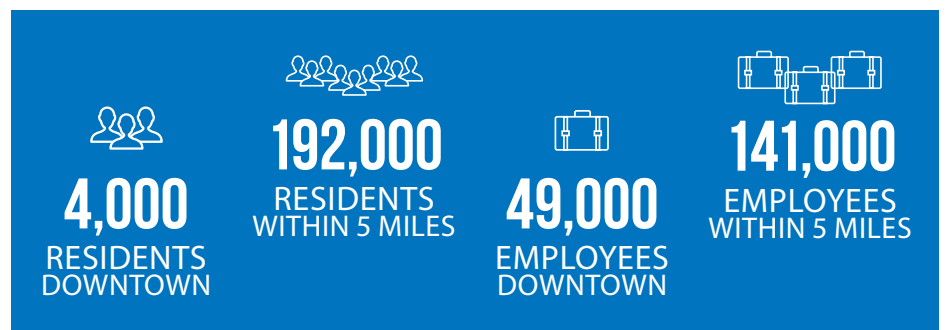
* Buildings either formally designated as historic or potentially eligible for designation.

** See the employee footnote on page 6.

JACKSONVILLE FLORIDA

**DOWNTOWN IS
THE CENTER OF THE
NORTHEAST FLORIDA
REGION OR “FIRST COAST”
AND IS HOME TO 1.5
MILLION PEOPLE.**

- 15 miles to Jacksonville International Airport
- 30 miles to the Beaches and the Georgia border
- 45 miles to St. Augustine and Fernandina Beach
- 140 miles to Orlando
- 345 miles to Miami or Atlanta



"Downtown's no longer just a place to work, but a place to play. And unlike many hipster hotspots, it's affordable, attitude-free and can be enjoyed on foot, from Hemming Park to breezy St. Johns River." - Miami Herald, 02/20/15





TOTAL 2014 INVESTMENT: \$884,729,000



In 2014, \$88 million in projects were completed, \$410 million were under construction, and \$386 million in projects were proposed to further revitalize Downtown. Unlike prior years with much of the investment stimulated by major infrastructure projects and the relocation, building or expansion of public facilities, today's trend is to activate Downtown through new residential units, incentives to capture retailers, and an aggressive program to redevelop publicly owned land along the riverfront. Major accomplishments occurring in 2014 include:

- The Downtown Investment Authority releases a market study, Community Redevelopment Area (CRA) plan and Business Investment and Development (BID) plan.
- Retail complex Brooklyn Station opens with The Fresh Market as the anchor tenant, plus development of more than 600 residential units and Unity Plaza amphitheater nears completion in the Brooklyn neighborhood.
- JEA selects developer Elements of Jacksonville to construct the mixed-used "Healthy Town," which will put 28 acres of land on Downtown's Southbank back to productive use.
- New owners and successful restaurateurs Forking Amazing Restaurants announce plans to convert the long-vacant Bostwick Building, also known as the "Jaguar Building," into a high-end steak and chophouse.
- Intuition Ale Works purchases the long vacant Nolan Building and decides to relocate Downtown.
- The historic Seminole Building is sold and renovated into Sweet Pete's and the Candy Apple Café and Cocktails.
- The City of Jacksonville turns over the management of Hemming Park to the private, non-profit Friends of Hemming Park.
- The Armada FC brings professional soccer back to Jacksonville and begins playing at the Baseball Grounds of Jacksonville.

The Downtown Investment Authority's CRA Plan is in play, allowing for strategic investment driven by the following goals:

1. Reinforce Downtown as the City's unique epicenter for business, history, culture, education, and entertainment.
2. Increase rental and owner-occupied housing, targeting key demographic groups seeking a more urban lifestyle.
3. Simplify the approval process for Downtown development and improve departmental and agency coordination.
4. Improve walkability/bikeability and connectivity to adjacent neighborhoods and the St. Johns River while creating highly walkable nodes.
5. Establish a waterfront design framework to ensure a unique experience and sense of place.
6. Maintain a clean and safe 24-7 Downtown for residents, workers, and visitors.
7. Use planning and economic development policies to promote design for healthy living.

Visit dtjaxreports.com for:

- State of Downtown Report Supplement: Completed, active and planned projects in 2014
- Downtown market study
- Community Redevelopment Area (CRA) plan
- Business Investment and Development (BID) plan

2014-2015 DOWNTOWN INVESTMENT AUTHORITY DEVELOPMENT PROJECTS

| Project | Estimated Cost | Description |
|--|----------------|---|
| Retail Enhancement Grant program | \$750,000 | Recoverable grant money to qualified property or business owners to assist with renovation or build-out costs to make the space retail ready. |
| Urban Art Façade and Streetscape Program | \$406,000 | Promote community development through urban design and streetscape enhancements via public art. |
| Hemming Park Management | \$800,000 | Help fund start-up costs for Friends of Hemming Park to take on day-to-day management and programming. |
| Improved Wayfarer Signage | \$750,000 | Implement a consistent, clean and accurate system of signage in conjunction with changing one-way streets to two-way streets. |
| Expand Free Wi-Fi Downtown | \$80,000 | Expanding existing Wi-Fi to cover major Downtown corridors. |

THE PREMIER BUSINESS ADDRESS

Downtown Jacksonville is home to 7.3 million square feet of commercial office space, more than 1,100 businesses, 49,000* employees and three Fortune 500 businesses – more than any other city in Florida. Ten Class A office towers offer space that averages \$21 per square foot, with an overall average selling price of \$19 per square foot. The Central Business District is anchored by Florida State College at Jacksonville's Downtown campus, which places emphasis on advanced technology

programs, including computer networking and cyber security, manufacturing, and biotechnology; as well as Baptist Medical Center Jacksonville, the flagship hospital for Baptist Health, and Wolfson Children's Hospital, the region's only pediatric inpatient center.

In the past few years Downtown's overall Class A office vacancy rate has decreased from a high of 22% in 2012 to 17.3% in 2014. With Citizens Insurance relocating 1,000 employees Downtown in the third quarter of 2015, along with additional absorption by C2C and EverBank and the construction of the 600-space Parador parking garage, we expect to see a continued reduction in Class A and Class B office space vacancy rates.



MAJOR HEADQUARTERS

Source: JAXUSAPartnership

| Headquarters | Regional Employees |
|--|--------------------|
| CSX Corporation | 3,600 |
| Black Knight Financial Services | 2,400 |
| EverBank | 2,239 |
| Stein Mart, Inc. | 1,000 |
| Interline Brands | 700 |
| Fidelity National Financial | 500 |
| Suddath Relocation Systems | 450 |
| Haskell (Design/Build) | 420 |
| Fidelity National Information Services (FIS) | 400 |

COMPLETED TRANSACTIONS OF NOTE, 2014-2015

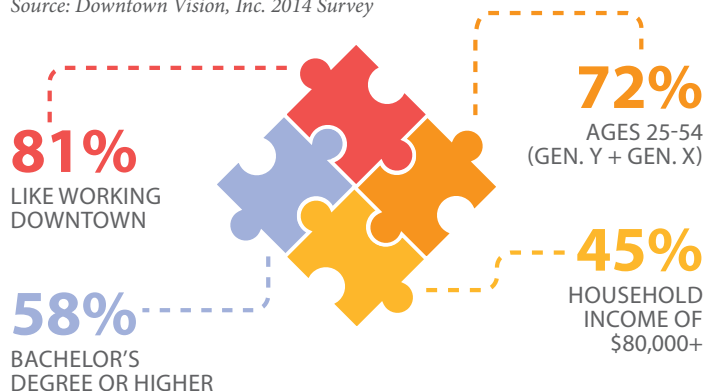
Source: CBRE Group, Inc., Colliers International + Cushman & Wakefield

| Lease: Tenant, Property Name | Transaction Sq. Ft. | Employees Added |
|--|---------------------|-----------------|
| Adecco, Riverplace Tower | 30,000 | |
| Anytime Fitness, 100 Laura Street Building | 11,343 | |
| C2C Solutions, EverBank Center (2015) | 13,000 | 200 |
| Citizens Property Insurance of Florida, EverBank Center (2015) | 232,665 | 1,000 |
| Family Support Services of N. Florida, Riverplace South | 30,331 | |
| Fidelity National Financial | 248,650 | |
| Jacksonville Transportation Authority, 121 Atlantic Place | 33,009 | 100 |
| Nelson Mullins, Bank of America Tower (2015) | 13,700 | |
| Old Republic National Title Insurance Co., 121 Atlantic Place | 10,642 | |
| PwC, SunTrust Tower (2015) | 13,329 | 100 + |
| Rayonier, One Enterprise Center | 11,716 | 50 |
| Shook, Hardy & Bacon LLP, SunTrust Tower | 15,083 | |

| Sale: Property, Buyer | Total Price | Gross Sq. Ft. |
|--|-------------|---------------|
| 550 Water, CSX Corporation | 30,000,000 | 242,000 |
| Bank of America Tower, Hertz Investment Group | 88,000,000 | 696,672 |
| EverBank Center, Amkin West Bay | 47,400,000 | 1,080,000 |
| Riverplace Tower, Lingerfelt Commonwealth Partners | 29,000,000 | 425,223 |
| SunTrust Tower, Mainstreet Capital Partners (2015) | 31,100,000 | 385,000 |
| Wells Fargo Center, Allegiance Capital | 79,000,000 | 900,000 |

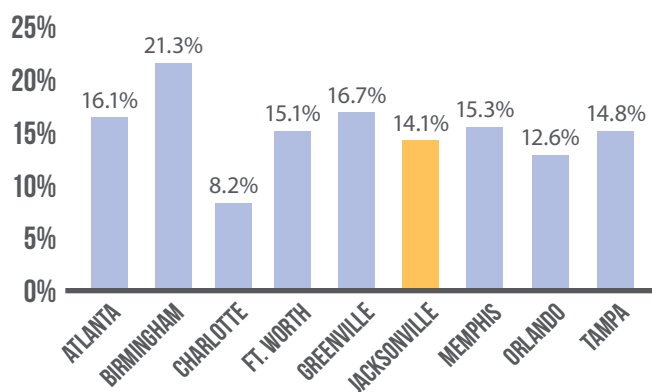
EMPLOYEE DEMOGRAPHICS

Source: Downtown Vision, Inc. 2014 Survey



Q4 2014 DOWNTOWN CLASS A VACANCY

Source: Colliers International



Download the State of Downtown Supplement at dtjaxreports.com for the following data:

- Competitive set office markets by size
- Jacksonville office submarkets by size



Jacksonville's unemployment rate is **LOWER** than the national average (5.9% vs. 6.3%) and the average commute time is slightly **SHORTER** than the national average (23 minutes vs. 25 minutes). - **Sperling's**

*Until 2012, employment counts were tracked through Nielson Claritas. Over the past two years, Nielson Claritas revised its methodology, resulting in a downward skewing of employment numbers that is unsubstantiated based on the tracked increase in office space occupancy. As such, DVI has kept employee counts relatively flat since 2012, and estimated 48,800 employees in 2013. For 2014, Nielson Claritas estimates 40,000 people work Downtown. However, the most recent U.S. Census Bureau "OnTheMap" software estimates 60,200 people work within the Downtown census tract. Based on increased office occupancy and leasing trends, DVI estimates more than additional 1,000 employees work Downtown, and has adjusted the employee count accordingly to 49,000 employees in 2014.

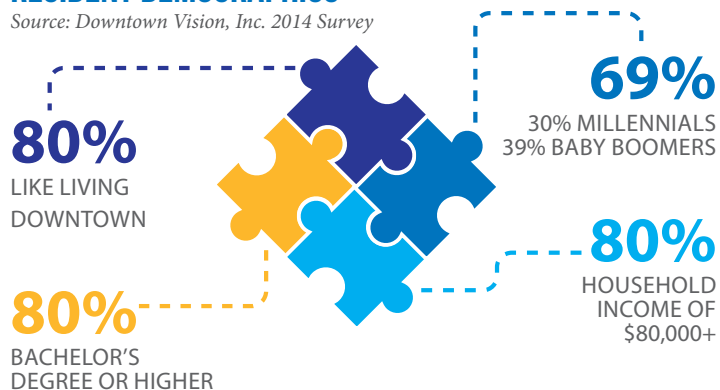


COMING HOME TO DOWNTOWN

In the past five years, the number of Downtown residents has increased by 40% thanks to new housing added prior to the Great Recession. Currently more than 4,000 people live Downtown with approximately 190,000 more residents located within a five-mile radius. More than 600 units will begin leasing in 2015 at both 220 Riverside and The Brooklyn Riverside, and nearly 2,000 additional units are proposed between “Healthy Town” on Downtown’s Southbank, 200 Riverside in Brooklyn, and The Shipyards and The Barnett on the Northbank. Residents cite the convenience and central location of Downtown, a walkable environment and events, and the atmosphere and urban vibe as the top three reasons they enjoy living Downtown.

RESIDENT DEMOGRAPHICS

Source: Downtown Vision, Inc. 2014 Survey



Jacksonville ranks 15th on Forbes' 2014 list of most affordable cities based on the Housing Opportunity Index and Cost-of-living Index.



Download the State of Downtown Report Supplement at dtjaxreports.com for a full list of 2014 building sales and leases.

CENTER OF CULTURE + ENTERTAINMENT



Jacksonville residents are no more than a 30-minute drive to Downtown and enjoy more than 110,000 cultural and entertainment seats, more than 55 acres of park space and 2.5 miles of Downtown Riverwalk. Five professional sports teams call Downtown home: fans bleed teal for the Jacksonville Jaguars NFL franchise; and locals enjoy the Double-A Jacksonville Suns baseball team; the Arena Football League team, the Jacksonville Sharks; the American Basketball League team, the Jacksonville Giants; and new to Jacksonville, the Armada FC soccer team. With Friends of Hemming Park launching its day-to-day management and programming of Hemming Park in 2014, Unity Plaza set to open Spring 2015, and an event barge along the Southbank Riverwalk announced, Downtown’s role as event epicenter will be dramatically reinforced in years to come. Rounding out the experience, a dozen upscale restaurants and two dozen bars—many known for their live music shows—contribute to the more than 10 million visitors to Downtown each year.



CULTURAL VENUES

Adam's Class Naval Ship Museum Store
 Baseball Grounds of Jacksonville
 EverBank Field
 Florida Theatre
 Friday Musicale
 Jacksonville Expo Center at the Fairgrounds
 Jacksonville Fire Museum
 Maritime Heritage Center
 MOCA Jacksonville (Museum of Contemporary Art)
 Museum of Science & History (MOSH)
 Prime Osborn Convention Center
 Ritz Theatre and Museum
 The Jacksonville Landing
 Times-Union Center for the Performing Arts
 Veterans Memorial Arena

SPORTS TEAMS & CULTURAL GROUPS (SEASON)

Armada FC, North American Soccer League (Feb. - Nov.)
 Jacksonville Jaguars, NFL (Aug. - Dec.)
 Jacksonville Children's Chorus
 Jacksonville Giants, American Basketball League (Nov. - Feb.)
 Jacksonville Sharks, Arena Football League (Mar. - July)
 Jacksonville Suns, Double-A Baseball (Apr. - Sept.)
 Jacksonville Symphony Orchestra
 Ritz Chamber Players
 The FSCJ Artist Series
 The Florida Ballet

ANNUAL EVENTS

January: New Year's Eve Fireworks, TaxSlayer Bowl, Martin Luther King Holiday Parade

February: Monster Jam, 26.2 with Donna

March: GastroFest, Gate River Run, Natural Life Music Festival

April: One Spark, Welcome to Rockville, Southeast US Boat Show

May: World of Nations, Craft Beer Festival, Jacksonville Jazz Festival, Comicon

June: Go Skate Day, Florida Country Superfest

July: Fourth of July Fireworks, River Ruckus

September: Dragon Boat Festival

October: Florida vs. Georgia Game, Home & Patio Show, Southern Women's Show, Jaxtoberfest

November: Jacksonville Fair, Veterans Day Parade, Light Boat Parade

December: The Big Ticket

Download the State of Downtown Report Supplement at dtjaxreports.com for the following data:

- Total number of events, total number of attendees, total number of seats
- Full list of estimated attendance by facility and by event



RESTAURANTS + RETAIL



True to the entrepreneurial nature of Downtown, the retail and restaurant scene is flush with one-of-a-kind, locally owned and operated storefronts. Retail vacancy rates are dropping, down 4% in the past two years, to a pre-recession rate of 29%. To assist in making long-vacant spaces retail-ready, the Downtown Investment Authority issued a \$750,000 Retail Enhancement Grant program and has awarded \$242,000 to six recipients so far.

NEW BUSINESSES (2014-MARCH 2015)

| Restaurants & Bars |
|----------------------------------|
| Azucena Corner Deli |
| Corner Bakery |
| Jimmy John's Gourmet Sandwiches |
| Pho Fever |
| Skyway Café |
| The Candy Apple Café & Cocktails |
| The Hourglass Pub |
| The Ice Cream Shop |
| The V Bistro |
| Urban Grind Coffee Company |
| Voodoo Ultra Lounge |

| Retail |
|--------------------------------|
| 44 Monroe Art Studio & Gallery |
| Down The Rabbit Hole |
| FLAGG Gallery |
| Lucy's Gift Boutique |
| Sweet Pete's |
| The Block Skate Supply |
| The Fresh Market |

| Services |
|-----------------------|
| 3 AM Luxury Spa |
| Anytime Fitness |
| De Luxe Cleaners |
| Enterprise Rent-a-Car |
| Hair Cuttery |
| New Jax Gym |
| Wine Decadance |

ANNOUNCED BUSINESSES (APRIL 2015-2016)

| Restaurants & Bars |
|----------------------------|
| Burger-Fi |
| Burrito Gallery |
| Cowford Chophouse |
| Intuition Ale Works |
| Jersey Mike's Subs |
| Levels |
| Peterbrooke Chocolatier |
| Super Food & Brew |
| The Hyppo Gourmet Ice Pops |
| Zoes Kitchen |

| Retail |
|-----------------|
| The Pink Nickel |

| Services |
|---------------------------|
| Hertz Rent-a-Car |
| Marilyn Monroe Nail Salon |
| Navy Federal Credit Union |

HOTELS + CONVENTIONS

A top cultural destination, Downtown leads in sports, concert, convention and medical tourism. Events and conventions resulted in 552,000 room nights in 2014, up 5% from 2013. The region's two largest meeting and event spaces, the Hyatt Regency at Jacksonville Riverfront and the Prime Osborn Convention Center, anchor Downtown with more than 172,000 square feet of space. Hotel occupancy rates are on the rise at 64% (up 5% from 2013), with an average daily rate of \$107 (up 4% from 2013) and a hotel RevPar of \$68 (up 9% from 2013).





GETTING AROUND



- Average monthly parking: \$67
- More than 44,000 parking spaces
- 600+ new spaces to come online in 2015
- Parking rates are 45% lower than the national average
- Collier's International 2012 CBD Parking Rate Survey rates parking in Downtown as "abundant"



The Skyway celebrated its 25th anniversary in 2014 and is examining options to extend the route throughout the urban core.

- Annual ridership: 1.2 million people
- Rates: Free through September 2015
- Rosa Parks Station: 7,800 visits daily



In August, Lakeshore Marine assumed management of the service, operating two boats (seating 100 and 50 riders), serving four stops along the North and Southbanks.

- Rates: \$5 one-way, \$7 round trip for adults
- Hours: Friday & Saturday 11 a.m. - 11 p.m.
Sunday-Thursday 11 a.m. - 9 p.m.

CLEAN + SAFE

Downtown's cleanliness, safety and hospitality team, Downtown Ambassadors provide extra eyes and ears on the street seven days a week and work closely with the Jacksonville Sheriff's Office to create a safe Downtown environment. Eleven Ambassadors logged more than 22,000 hours and 25,000 combined bicycle and Segway miles in 2014. Also in 2014, the Sheriff's Office deployed a new Downtown bike patrol and Friends of Hemming Park hired four additional park Ambassadors. These efforts help make Downtown one of Jacksonville's safest neighborhoods.

CREDITS

The data presented in this report is derived from many sources and collected directly from organizations where available. We would like to thank Downtown property owners and facility managers for sharing information for this report, as well as the following organizations for their assistance: CBRE Group, Inc. | City of Jacksonville Office of Economic Development | Colliers International | Colliers International Northeast Florida | Cultural Council of Greater Jacksonville | Cushman & Wakefield | Downtown Investment Authority | Duval County Property Appraiser | Jacksonville Sheriff's Office | Jacksonville Transportation Authority | JAXUSAPartnership | Nielsen Claritas | Visit Jacksonville

Photography by: Dan Van Slyke, Downtown Vision, Inc., Jacksonville Symphony Orchestra, Regency Centers, Tiffany Manning, Wingard Creative and Visit Jacksonville.

24
TONS OF
LITTER REMOVED

173
CITY BLOCKS
PRESSURE
WASHED

18K
HOSPITALITY
ASSISTS

1,200
HOSPITALITY +
UMBRELLA
ESCORTS



DOWNTOWN VISION, INC.

214 N. Hogan St., Suite 120
Jacksonville, FL 32202
(904) 634-0303
downtownjacksonville.org

Downtown Vision, Inc. (DVI) is the Downtown Improvement District (DID) for Downtown Jacksonville. DVI is a not-for-profit 501(c)6 organization whose mission is to create and support a vibrant Downtown community and to promote Downtown as an exciting place to live, work, play and visit.

DVI was formed in 2000 at the request of Downtown commercial property owners, is funded by commercial property owners through a self-assessment and is governed by a board representing property owners. DVI administers a 90-block Downtown Improvement District to provide a multitude of services over and above what the City of Jacksonville provides.

DOWNTOWN INVESTMENT AUTHORITY

117 W. Duval St., 301B
Jacksonville, FL 32202
(904) 630-3492
jaxdowntowninvestment.org

The Downtown Investment Authority serves as a clearinghouse to establish an identity for the region that capitalizes on partnerships to guide the revitalization of the core of the City of Jacksonville. To attract investment, facilitate job creation and residential density, while assuring a unified effort is strategically focused to implement action through capital investments, planning, advocacy, marketing and the establishment of policy for the general community and downtown stakeholders.