

1 Introduced by the Council President at the request of the Mayor:
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4 **RESOLUTION 2020-95**

5 A RESOLUTION MAKING CERTAIN FINDINGS, AND
6 APPROVING AND AUTHORIZING THE EXECUTION OF AN
7 ECONOMIC DEVELOPMENT AGREEMENT ("AGREEMENT")
8 BETWEEN THE CITY OF JACKSONVILLE ("CITY") AND
9 CMC STEEL US, LLC ("COMPANY"), TO SUPPORT THE
10 RENOVATION BY COMPANY OF ITS EXISTING
11 MANUFACTURING FACILITY LOCATED AT 16770 REBAR
12 ROAD PARKWAY IN THE CITY ("PROJECT");
13 AUTHORIZING A RECAPTURE ENHANCED VALUE (REV)
14 GRANT OF \$450,000; APPROVING AND AUTHORIZING
15 EXECUTION OF DOCUMENTS BY THE MAYOR OR HIS
16 DESIGNEE AND CORPORATION SECRETARY;
17 AUTHORIZING APPROVAL OF TECHNICAL AMENDMENTS
18 BY THE EXECUTIVE DIRECTOR OF THE OFFICE OF
19 ECONOMIC DEVELOPMENT ("OED"); PROVIDING FOR
20 OVERSIGHT BY THE OED; PROVIDING A DEADLINE FOR
21 THE COMPANY TO EXECUTE THE AGREEMENT; WAIVER
22 OF THAT PORTION OF THE PUBLIC INVESTMENT
23 POLICY ADOPTED BY ORDINANCE 2016-382-E, AS
24 AMENDED, WHICH WOULD REQUIRE THAT IN ORDER FOR
25 A PROJECT TO RECEIVE A 50% REV GRANT FOR A 5-
26 YEAR PERIOD, THE COMPANY MUST CREATE 10 NEW
27 JOBS; REQUESTING TWO-READING PASSAGE PURSUANT
28 TO COUNCIL RULE 3.305; PROVIDING AN EFFECTIVE
29 DATE.

30
31 **WHEREAS,** CMC Steel US, LLC (the "Company") has committed to

1 retain 250 permanent full-time equivalent jobs in Jacksonville, as
2 further described in the Project Summary attached hereto as **Exhibit**
3 **1**; and

4 **WHEREAS**, for the reasons more fully described in the Project
5 Summary, the payment of the REV Grant in such amounts serves a
6 paramount public purpose; and

7 **WHEREAS**, the OED has reviewed the application submitted by the
8 Company for community development, and, together with
9 representatives of the City, negotiated the Agreement and, based
10 upon the contents of the Agreement, has determined the Agreement
11 and the uses contemplated therein to be in the public interest, and
12 has determined that the public actions and financial assistance
13 contemplated in the Agreement take into account and give
14 consideration to the long-term public interests and public interest
15 benefits to be achieved by the City; and

16 **WHEREAS**, the Company has requested the City to enter into an
17 agreement in substantially the form placed **On File** with the
18 Legislative Services Division; now therefore,

19 **BE IT RESOLVED** by the Council of the City of Jacksonville:

20 **Section 1. Findings.** It is hereby ascertained,
21 determined, found and declared as follows:

22 (a) The recitals set forth herein are true and correct.

23 (b) The location of the Company's Project in Jacksonville,
24 Florida, is more particularly described in the Agreement. The
25 Project will promote and further the public and municipal purposes
26 of the City.

27 (c) Enhancement of the City's tax base and revenues, are
28 matters of State and City policy and State and City concern in order
29 that the State and its counties and municipalities, including the
30 City, shall not continue to be endangered by unemployment,
31 underemployment, economic recession, poverty, crime and disease, and

1 consume an excessive proportion of the State and City revenues
2 because of the extra services required for police, fire, accident,
3 health care, elderly care, charity care, hospitalization, public
4 housing and housing assistance, and other forms of public
5 protection, services and facilities.

6 (d) The provision of the City's assistance as identified in
7 the Agreement is necessary and appropriate to make the Project
8 feasible; and the City's assistance is reasonable and not excessive,
9 taking into account the needs of the Company to make the Project
10 economically and financially feasible, and the extent of the public
11 benefits expected to be derived from the Project, and taking into
12 account all other forms of assistance available.

13 (e) The Company is qualified to carry out and complete the
14 construction and equipping of the Project, in accordance with the
15 Agreement.

16 (f) The authorizations provided by this Resolution are for
17 public uses and purposes for which the City may use its powers as a
18 county, municipality and as a political subdivision of the State of
19 Florida and may expend public funds, and the necessity in the public
20 interest for the provisions herein enacted is hereby declared as a
21 matter of legislative determination.

22 (g) This Resolution is adopted pursuant to the provisions of
23 Chapters 163, 166 and 125, Florida Statutes, as amended, the City's
24 Charter, and other applicable provisions of law.

25 **Section 2. Economic Development Agreement Approved.**

26 There is hereby approved, and the Mayor and Corporation Secretary
27 are authorized to execute and deliver, for and on behalf of the
28 City, an agreement between the City and the Company, substantially
29 in the form placed **On file** with the Legislative Services Division
30 (with such "technical" changes as herein authorized), for the
31 purpose of implementing the recommendations of the OED, as are

1 further described in the Project Summary attached hereto as **Exhibit**
2 **1.**

3 The Agreement may include such additions, deletions and
4 changes as may be reasonable, necessary and incidental for carrying
5 out the purposes thereof, as may be acceptable to the Mayor, or his
6 designee, with such inclusion and acceptance being evidenced by
7 execution of the Agreement by the Mayor or his designee. No
8 modification to the Agreement may increase the financial obligations
9 or the liability of the City and any such modification shall be
10 technical only and shall be subject to appropriate legal review and
11 approval of the General Counsel, or his or her designee, and all
12 other appropriate action required by law. "Technical" is herein
13 defined as including, but not limited to, changes in legal
14 descriptions and surveys, descriptions of infrastructure
15 improvements and/or any road project, ingress and egress, easements
16 and rights of way, performance schedules (provided that no
17 performance schedule may be extended for more than one year without
18 City Council approval) design standards, access and site plan, which
19 have no financial impact.

20 **Section 3. Payment of REV Grant.**

21 (a) The REV Grant shall not be deemed to constitute a debt,
22 liability, or obligation of the City or of the State of Florida or
23 any political subdivision thereof within the meaning of any
24 constitutional or statutory limitation, or a pledge of the faith and
25 credit or taxing power of the City or of the State of Florida or any
26 political subdivision thereof, but shall be payable solely from the
27 funds provided therefor as provided in this Section. The Agreement
28 shall contain a statement to the effect that the City shall not be
29 obligated to pay any installment of its financial assistance to the
30 Company except from the non-ad valorem revenues or other legally
31 available funds provided for that purpose, that neither the faith

1 and credit nor the taxing power of the City or of the State of
2 Florida or any political subdivision thereof is pledged to the
3 payment of any portion of such financial assistance, and that the
4 Company, or any person, firm or entity claiming by, through or under
5 the Company, or any other person whomsoever, shall never have any
6 right, directly or indirectly, to compel the exercise of the ad
7 valorem taxing power of the City or of the State of Florida or any
8 political subdivision thereof for the payment of any portion of such
9 financial assistance.

10 (b) The Mayor, or his designee, is hereby authorized to and
11 shall disburse the annual installments of the REV Grant as provided
12 in this Section in accordance with this Resolution and the
13 Agreement.

14 **Section 4. Designation of Authorized Official/OED**

15 **Contract Monitor.** The Mayor is designated as the authorized
16 official of the City for the purpose of executing and delivering
17 any contracts and documents and furnishing such information, data
18 and documents for the Agreement and related documents as may be
19 required and otherwise to act as the authorized official of the
20 City in connection with the Agreement, and is further authorized to
21 designate one or more other officials of the City to exercise any
22 of the foregoing authorizations and to furnish or cause to be
23 furnished such information and take or cause to be taken such
24 action as may be necessary to enable the City to implement the
25 Agreement according to its terms. The OED is hereby required to
26 administer and monitor the Agreement and to handle the City's
27 responsibilities thereunder, including the City's responsibilities
28 under such Agreement working with and supported by all relevant
29 City departments.

30 **Section 5. Further Authorizations.** The Mayor, or his
31 designee, and the Corporation Secretary, are hereby authorized to

1 execute the Agreement and all other contracts and documents and
2 otherwise take all necessary action in connection therewith and
3 herewith. The Executive Director of the OED, as contract
4 administrator, is authorized to negotiate and execute all necessary
5 changes and amendments to the Agreement and other contracts and
6 documents, to effectuate the purposes of this Resolution, without
7 further Council action, provided such changes and amendments are
8 limited to amendments that are technical in nature (as described in
9 Section 2 hereof), and further provided that all such amendments
10 shall be subject to appropriate legal review and approval by the
11 General Counsel, or his or her designee, and all other appropriate
12 official action required by law.

13 **Section 6. Oversight Department.** The OED shall oversee
14 the Project described herein.

15 **Section 7. Execution of Agreement.** If the Agreement
16 approved by this Resolution has not been signed by the Company
17 within ninety (90) days after the OED delivers or mails the
18 unexecuted Agreement to the Company for execution, then the City
19 Council approvals in this Resolution and authorization for the
20 Mayor to execute the Agreement are automatically revoked, provided
21 however, that the Executive Director of the OED shall have the
22 authority to extend such ninety (90) day period in writing at his
23 discretion for up to an additional ninety (90) days.

24 **Section 8. Waiver of Public Investment Policy.** The
25 following requirements of the Public Investment Policy adopted by
26 City Council Ordinance 2016-382-E, as amended, are hereby waived:
27 that in order for a project to receive a 50% REV grant for a 5-year
28 period, the Company must create 10 new jobs within the City. The
29 waiver is justified due to the fact that the proposed Project will
30 result in the retention of 250 jobs within the City, and encourage
31 capital investment in the approximate amount of \$30,000,000.

1 **Section 9. Requesting Two Reading Passage Pursuant to**
2 **Council Rule 3.305.** Two reading passage of this legislation is
3 requested pursuant to Council Rule 3.305.

4 **Section 10. Effective Date.** This Resolution shall become
5 effective upon signature by the Mayor or upon becoming effective
6 without the Mayor's signature.

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8 Form Approved:

9
10 /s/ John Sawyer

11 Office of General Counsel

12 Legislation Prepared By: John Sawyer

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