

CITY COUNCIL RESEARCH DIVISION LEGISLATIVE SUMMARY

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Bill Type and Number: Resolution 2022-717

Introducer/Sponsor(s): Council President at the request of the Mayor

Date of Introduction: September 27, 2022

Committee(s) of Reference: F

Date of Analysis: September 29, 2022

Type of Action: Appropriation; approval of economic development agreement; designation of oversight agency; affirmation of compliance with Public Investment Policy

Bill Summary: The bill appropriates \$100,000 from the Northwest Economic Development Fund – Fund Balance to provide a Business Infrastructure Grant to Ferrosource, LLC to support the company’s establishment of a metal fabricating shop on Blanche Street in the New Town area. The bill authorizes execution of an economic development agreement and designates the Office of Economic Development as the City’s oversight agency for the project. It affirms that the incentive complies with the City’s Public Investment Policy and requests fast-track approval on two readings.

Background Information: Ferrosource, LLC is a metals manufacturing company that produces pipes, tubes, wire, rebar and other customized metal products. The company is interested in establishing a metal fabricating facility in Jacksonville to manufacture fabricated steel products to support their customer’s needs. Additionally, they propose to create within their facility a free trade zone to import and store steel before it is fabricated into structural steel parts and rebar. In year 1 they propose to lease 20,000 SF of the vacant 44,000 SF steel building located at 1011 Blanche Street. They propose to convert the vacant steel warehouse building into a multi-line steel fabrication facility to manufacture the products desired by their customer base. Initially they propose to invest approximately \$2.269 million in Phase 1 of the project and create up to 15 new jobs at an average wage of \$58,000. Their five-year plan includes an ultimate investment of \$10 million and creation of an additional 35 jobs. The City’s incentive is a \$100,000 grant to offset a portion of the infrastructure costs associated with the interior renovations associated with converting the former warehouse constructed in 1941 into a manufacturing facility and meet the current building code requirements.

Policy Impact Area: Economic development

Fiscal Impact: Business Improvement Grant of \$100,000

Analyst: Clements