

1 Introduced by the Council President at the request of the Mayor and
2 Co-Sponsored by Council Member Clark-Murray:

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5 **RESOLUTION 2022-862-A**

6 A RESOLUTION MAKING CERTAIN FINDINGS AND
7 APPROPRIATING \$500,000 FROM THE NORTHWEST OED
8 FUND - TRANSFER FROM FUND BALANCE FOR THE
9 PURPOSE OF PROVIDING A \$500,000 LARGE SCALE
10 ECONOMIC DEVELOPMENT FUND (LSEDF) GRANT TO
11 PROJECT CASHEW ("COMPANY"), AS INITIATED BY B.T.
12 23-023, IN CONNECTION WITH THE INFRASTRUCTURE
13 COSTS AND BUILDING IMPROVEMENTS TO BE MADE BY
14 THE COMPANY AT THE PROJECT PARCEL ("PROJECT");
15 PURPOSE OF APPROPRIATION; APPROVING AND
16 AUTHORIZING THE MAYOR, OR HIS DESIGNEE, AND THE
17 CORPORATION SECRETARY TO EXECUTE AND DELIVER,
18 FOR AND ON BEHALF OF THE CITY OF JACKSONVILLE
19 ("CITY"), THE ECONOMIC DEVELOPMENT AGREEMENT
20 BETWEEN COMPANY AND THE CITY; AUTHORIZING A
21 LARGE SCALE ECONOMIC DEVELOPMENT FUND (LSEDF)
22 GRANT TO THE COMPANY IN THE AMOUNT OF \$500,000;
23 AUTHORIZING A \$3,100,000 RECAPTURE ENHANCED
24 VALUE GRANT ("REV GRANT"); DESIGNATION OF
25 AUTHORIZED OFFICIAL AND CONTRACT MONITOR;
26 AUTHORIZING APPROVAL OF TECHNICAL AMENDMENTS BY
27 THE EXECUTIVE DIRECTOR OF THE OFFICE OF ECONOMIC
28 DEVELOPMENT ("OED"); PROVIDING FOR CITY OF
29 JACKSONVILLE OVERSIGHT BY THE OED; PROVIDING A
30 DEADLINE FOR THE COMPANY TO EXECUTE THE
31 AGREEMENT; AFFIRMING THE PROJECT'S COMPLIANCE

1 WITH THE NWJEDF GUIDELINES APPROVED AND ADOPTED
2 BY ORDINANCE 2016-779-E, AS AMENDED; WAIVER OF
3 THAT PORTION OF THE PUBLIC INVESTMENT POLICY
4 ADOPTED BY ORDINANCE 2022-372-E, AS AMENDED, TO
5 AUTHORIZE A LARGE SCALE ECONOMIC DEVELOPMENT
6 FUND GRANT, WHICH REQUIRES A MINIMUM OF 50 NEW
7 JOBS; REQUESTING TWO READING PASSAGE PURSUANT TO
8 COUNCIL RULE 3.305; PROVIDING AN EFFECTIVE DATE.
9

10 **WHEREAS**, Project Cashew (the "Company") is proposing to make
11 certain infrastructure and building improvements including the
12 construction and installation of new structures and additional
13 equipment to expand its existing distribution and manufacturing
14 operations facility located in Jacksonville, Florida, and has
15 committed to create 40 permanent full-time equivalent new jobs in
16 Jacksonville with an average salary, exclusive of benefits, of \$50,000
17 per annum by December 31, 2025, and cause private capital investment
18 in the estimated amount of \$65,000,000, all as further described in
19 the Project Summary attached hereto as **Exhibit 1**; and

20 **WHEREAS**, the project parcel is located in a Level 2 Economically
21 Distressed Area;

22 **WHEREAS**, for the reasons more fully described in the Project
23 Summary, the payment of the Large Scale Economic Development Fund
24 (LSEDF) Grant and REV Grant in such amounts serves a paramount public
25 purpose; and

26 **WHEREAS**, the City's Office of Economic Development ("OED") has
27 reviewed the application submitted by the Company for community
28 development, and, together with representatives of the City,
29 negotiated the Economic Development Agreement and, based upon the
30 contents of the Economic Development Agreement, has determined the
31 Economic Development Agreement and the uses contemplated therein to

1 be in the public interest, and has determined that the public actions
2 and financial assistance contemplated in the Economic Development
3 Agreement take into account and give consideration to the long-term
4 public interests and public interest benefits to be achieved by the
5 City; and

6 **WHEREAS**, the Company has requested the City to enter into the
7 Economic Development Agreement in substantially the form placed **On**
8 **File** with the Office of Legislative Services; now therefore,

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

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

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

13 (b) The location of the Company's Project in northwest
14 Jacksonville, Florida, is more particularly described in the Economic
15 Development Agreement. The Project will promote and further the
16 public and municipal purposes of the City.

17 (c) Enhancement of the City's tax base and revenues are matters
18 of State and City policy and State and City concern in order that the
19 State and its counties and municipalities, including the City, shall
20 not continue to be endangered by unemployment, underemployment,
21 economic recession, poverty, crime and disease, and consume an
22 excessive proportion of the State and City revenues because of the
23 extra services required for police, fire, accident, health care,
24 elderly care, charity care, hospitalization, public housing and
25 housing assistance, and other forms of public protection, services
26 and facilities.

27 (d) The provision of the City's assistance as identified in
28 the Economic Development Agreement is necessary and appropriate to
29 make the Project feasible; and the City's assistance is reasonable
30 and not excessive, taking into account the needs of the Company to
31 make the Project economically and financially feasible, and the extent

1 of the public benefits expected to be derived from the Project, and
2 taking into account all other forms of assistance available.

3 (e) The Company is qualified to carry out and complete the
4 construction and equipping of the Project, in accordance with the
5 Economic Development Agreement.

6 (f) The authorizations provided by this Resolution are for
7 public uses and purposes for which the City may use its powers as a
8 county, municipality and as a political subdivision of the State of
9 Florida and may expend public funds, and the necessity in the public
10 interest for the provisions herein enacted is hereby declared as a
11 matter of legislative determination.

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

15 **Section 2. Appropriation.** For the 2022-2023 fiscal
16 year, within the City's budget, there are hereby appropriated the
17 indicated sum(s) from the account(s) listed in subsection (a) to the
18 account(s) listed in subsection (b): (B.T. 23-023, attached hereto
19 as **Exhibit 2** and incorporated herein by this reference):

20 (a) Appropriated from:

21 See B.T. 23-023 \$500,000

22 (b) Appropriated to:

23 See B.T. 23-023 \$500,000

24 (c) **Explanation of Appropriation**

25 The funding above appropriates \$500,000 from the Northwest
26 OED Fund - Fund Balance, to provide a \$500,000 Large Scale
27 Economic Development Fund Grant to the Company to assist
28 with costs associated with infrastructure and building
29 upgrades needed to complete the Project.

30 **Section 3. Purpose.** The purpose of the appropriation in
31 Section 2 is to provide a \$500,000 Large Scale Economic Development

1 Fund Grant to the Company. The Company has a distribution and
2 manufacturing operations facility located Jacksonville, Florida, and
3 has committed to create 40 permanent full-time equivalent new jobs
4 in Jacksonville with an average salary, exclusive of benefits, of
5 \$50,000 per annum by December 31, 2025, and cause private capital
6 investment in the estimated amount of \$65,000,000. The NWJEDF Advisory
7 Board recommended City Council's approval of the Company's grant
8 application at its November 15, 2022 meeting.

9 **Section 4. Economic Development Agreement Approved.** The
10 Mayor, or his designee, and the Corporation Secretary are hereby
11 authorized to execute and deliver, for and on behalf of the City, the
12 Economic Development Agreement substantially in the form placed **On**
13 **File** with the Office of Legislative Services (with such "technical"
14 changes as herein authorized), for the purpose of implementing the
15 recommendations of the OED, as are further described in the Project
16 Summary attached hereto as **Exhibit 1**.

17 The Economic Development Agreement may include such additions,
18 deletions, and changes as may be reasonable, necessary, and incidental
19 for carrying out the purposes thereof, as may be acceptable to the
20 Mayor or his designee, with such inclusion and acceptance being
21 evidenced by execution of the Economic Development Agreement by the
22 Mayor or his designee. No modification of the Economic Development
23 Agreement may increase the financial obligations or the liability of
24 the City and any such modification shall be technical only and shall
25 be subject to appropriate legal review and approval of the General
26 Counsel or his or her designee and all other appropriate action
27 required by law. "Technical" is herein defined as including, but not
28 limited to, changes in legal descriptions and surveys, descriptions
29 of infrastructure improvements and/or any road project, ingress and
30 egress, easements and rights of way, performance schedules (provided
31 that no performance schedule may be extended for more than one year

1 without City Council approval), design standards, access and site
2 plans which have no financial impact.

3 **Section 5. Payment of Large Scale Economic Development Fund**
4 **(LSEDF) Grant.** The Mayor, or his designee, is hereby authorized to
5 and shall disburse the LSEDF Grant in accordance with this Resolution
6 and the Agreement.

7 **Section 6. Payment of the Recapture Enhanced Value (REV)**
8 **Grant.**

9 (a) The REV Grant shall not be deemed to constitute a debt,
10 liability, or obligation of the City or of the State of Florida or
11 any political subdivision thereof within the meaning of any
12 constitutional or statutory limitation, or a pledge of the faith and
13 credit or taxing power of the City or of the State of Florida or any
14 constitutional or any political subdivision thereof but shall be
15 payable solely from the funds provided therefor as provided in this
16 Section. The Agreement shall contain a statement of the effect that
17 the City shall not be obligated to pay any installment of its
18 financial assistance to the Company except from the non-ad valorem
19 revenues or other legally available funds provided for that purpose,
20 that neither the faith and credit nor the taxing power of the City
21 or of the State of Florida or any political subdivision thereof is
22 pledged to the payment of any portion of such financial assistance,
23 and that the Company, or any person, firm or entity claiming by,
24 through or under the Company, or any other person whomsoever, shall
25 never have any right, directly or indirectly, to compel the exercise
26 of the ad valorem taxing power of the City or of the State of Florida
27 or any political subdivision thereof for the payment of any portion
28 of such financial assistance.

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

1 **Section 7. Designation of Authorized Official/OED Contract**

2 **Monitor.** The Mayor is designated as the authorized official of the
3 City for the purpose of executing and delivering any contracts and
4 documents and furnishing such information, data and documents for the
5 Agreement and related documents as may be required and otherwise to
6 act as the authorized official of the City in connection with the
7 Agreement, and is further authorized to designate one or more other
8 officials of the City to exercise any of the foregoing authorizations
9 and to furnish or cause to be furnished such information and take or
10 cause to be taken such action as may be necessary to enable the City
11 to implement the Agreement according to its terms. The OED is hereby
12 required to administer and monitor the Agreement and to handle the
13 City's responsibilities thereunder, including the City's
14 responsibilities under such Agreement working with and supported by
15 all relevant City departments.

16 **Section 8. Further Authorizations.** The Mayor, or his

17 designee, and the Corporation Secretary, are hereby authorized to
18 execute the Economic Development Agreement and all other contracts
19 and documents and otherwise take all necessary action in connection
20 therewith and herewith. The Executive Director of the OED, as contract
21 administrator, is authorized to negotiate and execute all necessary
22 changes and amendments to the Economic Development Agreement and
23 other contracts and documents, to effectuate the purposes of this
24 Resolution, without further Council action, provided such changes and
25 amendments are limited to amendments that are technical in nature (as
26 described in Section 4 hereof), and further provided that all such
27 amendments shall be subject to appropriate legal review and approval
28 by the General Counsel, or his or her designee, and all other
29 appropriate official action required by law.

30 **Section 9. Oversight Department.** The Office of Economic

31 Development shall oversee the Project described herein.

1 **Section 10. Execution of the Economic Development Agreement.**

2 If the Economic Development Agreement approved by this Resolution has
3 not been signed by the Company within ninety (90) days after the OED
4 delivers or mails the unexecuted Economic Development Agreement to
5 the Company for execution, then the City Council approvals in this
6 Resolution and authorization for the Mayor to execute the Agreement
7 are automatically revoked; provided, however, that the Executive
8 Director of the OED shall have the authority to extend such ninety
9 (90) day period in writing at his discretion for up to an additional
10 ninety (90) days.

11 **Section 11. NWJEDF Guidelines.** This Resolution
12 conforms to the NWJEDF Guidelines adopted by City Council Ordinance
13 2016-779-E, as amended.

14 **Section 12. Waiver of Public Investment Policy.** The
15 requirements of the Public Investment Policy adopted by City Council
16 Ordinance 2022-372-E, as amended, are waived to authorize an LSEDF
17 Grant that requires a minimum of 50 new jobs. The waiver is justified
18 due to the fact that the Company will retain 110 jobs, create 40 new
19 jobs, cause significant private capital investment of approximately
20 \$65,000,000 in an existing facility in Northwest Jacksonville, and
21 solidify the Company's presence at the Project location.

22 **Section 13. Requesting two reading passage pursuant to**
23 **Council Rule 3.305.** Two reading passage of this legislation is
24 requested pursuant to Council Rule 3.305.

25 **Section 14. Effective Date.** This Resolution shall become
26 effective upon signature by the Mayor or upon becoming effective
27 without the Mayor's signature.

1 Form Approved:

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3 /s/ Mary E. Staffopoulos

4 Office of General Counsel

5 Legislation prepared by: Joelle J. Dillard

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