

LEGISLATIVE FACT SHEET

DATE: April 19, 2023

BT or RC No: **BT23-086**

(Administration & City Council Bills)

SPONSOR: **Office of Economic Development**

(Department/Division/Agency/Council Member)

Contact for all inquiries and presentations: **Office of Economic Development**

Provide Name: **Kirk Wendland** Contact No: **255-5455**

Email **kwendland@coj.net**

PURPOSE: White Paper (Explain why this legislation is necessary. Provide, who, what, when where, how and the impact.) Council Research will complete this form for Council introduced legislation and the Administration is responsible for all other legislation. (Minimum of 350 words – Maximum of 1 page)

The Cosentino Group is a global Spanish family-owned company that produces and distributes high value innovative and sustainable surfaces for the world of design and architecture.

The City intends to sell approximately 350 acres for over \$20 million (with an option for an additional 150 acres) of the Mega Site at Cecil Commerce Center to Cosentino. All funds from the sale of the land will be deposited into the Cecil Commerce Center Trust Fund. Cosentino intends to develop the land with the first phase of their multi-phased manufacturing operations. The development of the Mega Site is complex with the need for the City to provide roadway improvement to access the site; install utilities to the site; construct rail to the site (utilizing the State’s Job Growth Grant Fund); ensure the property is predominantly free of wetlands; and ensure stormwater drainage on site is adequate.

OED has been working with Cosentino, the Office of General Counsel, and others in drafting and Economic Development Agreement that establishes the roles, responsibilities and obligations of each party. The legislation will include the EDA which establishes the funding needed for the necessary improvements listed above and a 50 percent REV Grant over 10 years, capped at \$12 million.

Cosentino has stated continuously throughout the drafting of the EDA, that the City of Jacksonville incentives are a material factor in its decision to establish its new manufacturing operation in Jacksonville, as opposed to another location.

APPROPRIATION: Total Amount Appropriated \$5,500,000 as follows: List the source **name** and provide Object and Subobject Numbers for each category listed below:

(Name of Fund as it will appear in the title of the legislation)

Name of Federal Funding Source(s)

From: _____ Amount: _____

To: _____ Amount: _____

Name of State Funding Source(s)

From: _____ Amount: _____

To: _____ Amount: _____

Name of COJ Funding Source(s)

From: Debt Management Fund / Long Term Debt Issued Amount: \$5,500,000

To: 2023 Authorized Capital Projects / Logistics Lane Extension / DM Other Construction Costs

Amount: \$3,000,000

To: Cecil Commerce Center / EDED OED Special Initiatives – Industry Development/ DM Contribution

To/From Component Unit Amount \$2,500,000

Name of In-Kind Contributions:

From: _____ Amount: _____

To: _____ Amount: _____

Name & No. of Bond Account(s):

From: _____ Amount: _____

To: _____ Amount: _____

PLAIN LANGUAGE OF APPROPRIATION/FINANCIAL IMPACT/OTHER:

Explain: Where are the funds coming from, going to, how will the funds be used? Does the funding require a match? Is the funding for a specific time frame? Will there be ongoing maintenance and staffing obligation? Per Chapter 122 & 106 regarding funding of anticipated post-construction operation costs. (Minimum of 350 words – maximum of 1 page.

The Office of Economic Development proposes to provide a Recapture Enhanced Value (REV) Grant of 50% of the increased assessed value for a duration of 10 years not to exceed \$12 million. Furthermore, this legislation will allocate funding from the Debt Management Fund to 1) extend Logistics Lane (\$3 million); and 2) provide up to \$2.5 million to JEA (to match JEA funds) to extend utilities to the site. The Debt Management Fund is being utilized as a vehicle for this legislation to move forward; however, it is expected that the estimated \$20.5 million proceeds from the sale of the land will be utilized to fund the above referenced improvements upon the closing of the land sale. Thus, relieving the Debt Management Fund obligation in this legislation.

ACTION ITEMS: Purpose/Check List. If “Yes” please provide detail by attaching justification and code provisions for each.

ACTION ITEMS:

Emergency? Yes _____ No _____

Justification of Emergency: If yes, explanation must include detailed nature of emergency.

Federal or State Mandate? Yes _____ No _____

Explanation: If yes, explanation must include detailed nature of mandate include Statue or Provision.

Fiscal Year Carryover? Yes _____ No X

Note: If yes, note must include explanation of all-year subfund carryover language.

Funds 32124 and 11312 are all years funds.

CIP Amendment? Yes X No _____

Attachment: If yes, attach appropriate CIP form(s). Include justification for mid-year amendment.

Contract/Agreement Approval? Yes X No _____

Attachment & Explanation: If yes, attach the Contract/Agreement & provide name of the Department and include contact name and telephone number of the person r that will provide oversight. Indicate if negotiations are on-going and with whom. Has OGC reviewed/drafted? **OGC is preparing the agreement and OED will provide oversight and administration.**

Related RC/BT? Yes X No _____ If yes, attach appropriate RC/BT form(s)

Waiver of Code? Yes__ No X

Code Reference: If yes, identify code section(s) in space below & provide detailed explanation (including impacts) within white paper.

Code Exception: Yes_____ No X

Code Reference: If yes, identify code section(s) in space below & provide detailed explanation (including impacts) within white paper.

Related Enacted Ordinances? Yes _____ No X Code Reference: If yes, identify related code section(s) and ORD reference number in the space below & provide detailed explanation and any changes necessary within whitepaper.

ACTION ITEMS CONTINUED: Purpose/Check List. If "Yes" please provide detail by attaching justification and code provisions for each.

ACTION ITEMS:

Continuation of Grant? Yes _____ No X

Explanation: How will the funds be used? Does the funding require a match? Is the funding for a specific time frame and/or multi-year? If multi-year, note year of grant. Are there long-term implications for the General Fund?

Surplus Property Certification? Yes _____ No X Attachment: If yes, attach appropriate form(s)

Reporting Requirements? Yes _____ No X

Explanation: List agencies (including City Council/Auditor) to receive reports and frequency of reports, including when reports are due. Provide name of the Department and include contact name and telephone number of the person responsible for generating.

Executive Director


(Signature)

Date:

4/19/23

Prepared By:


(Signature)

Date:

4/19/23

ADMINISTRATIVE TRANSMITTAL

To: MBRC, c/o Budget Office, St. James Bldg., Suite 325

Thru: N/A
(Name, Job Title, Department)

From: Kirk Wendland, Executive Director, Office of Economic Development (OED)
Initiating Department Representative (Name, Job Title, Department)

Phone: 255-5445 E-Mail: kwendland@coj.net

Primary Contact: Kirk Wendland, Executive Director, Office of Economic Development
(Name, Job Title, Department)

Phone: 255-5445 E-Mail: kwendland@coj.net

CC: Rachel Zimmer, Director of Intergovernmental Affairs, Office of the Mayor
Phone: 255-5006 E-Mail: rachelz@coj.net

COUNCIL MEMBER/INDEPENDENT AGENCY/CONSTITUTIONAL OFFICER TRANSMITTAL

To: Mary Staffopoulos, Office of General Counsel, St. James Bldg., Suite 480

Phone: 255-5062 E-Mail: mstaff@coj.net

From: N/A
Initiating Council Member/Independent Agency/Constitutional Officer

Phone: _____ E-Mail: _____

Primary Contact: N/A
(Name, Job Title, Department)

Phone: _____ E-Mail: _____

CC: Rachel Zimmer, Director of Intergovernmental Affairs, Office of the Mayor
Phone: 255-5006 E-Mail: rachelz@coj.net

Legislation from Independent Agencies requires a resolution from the Independent Agency Board approving the legislation

Independent Agency Action Item:

Board(s) Action/Resolution? Yes _____ No X _____

Attachment: If yes, attach appropriate documentation. If no, when is board action scheduled?

FACT SHEET IS REQUIRED BEFORE LEGISLATION IS INTRODUCED