

LEGISLATIVE FACT SHEET

DATE: November 17, 2022

BT or RC No: N/A

(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)

Corner Lot Development Group (Corner Lot) is a leading real estate development firm with business lines that include single-family, multi-family, urban and commercial development. Springfield MF Partners, LLC (Company) was formed in 2021, comprising Corner Lot leaders Andy Allen, George Leone, and Scott Hobby.

The Company is proposing a 202-unit market rate apartment community, to be known as 1st and Main, at 33 1st Street W., 1148 Main Street N., and 1100 Main Street N. Jacksonville, FL 32206, near the entrance of Downtown Jacksonville and east of Interstate-95. Located in the Springfield Historic District, the development will be a mix of studio, 1-, and 2-bedroom units and approximately 6,000 square feet of commercial retail or restaurant use. The project will include a rooftop commercial facility that will offer a view down the Main Street corridor, and it also includes a parking garage that will be wrapped with residential and will not be visible from the surrounding streets and homes. The amenity spaces for residents include a fitness facility, pool, and outdoor co-work space.

The City of Jacksonville proposes to provide a Recapture Enhanced Value (REV) based on 75 percent of the increase in real and personal property taxes generated at the project site, for 15 years, up to a maximum of \$5.5 million as well as a \$2 million Development Completion Grant to be disbursed in two \$1 million payments: \$1M at substantial completion and \$1M the year following substantial completion.

The proposed Development Completion Grant is not specifically defined in the City's Public Investment Policy (PIP). Additionally, the project is not in a Targeted Industry and does not meet the requirement for a minimum of 10 new jobs to qualify for the REV Grant. Due to the project's large capital investment, and the support from Springfield Preservation and Revitalization (SPAR) council and the overarching community for the development within the Springfield Historic District and the project's large capital investment, a waiver of the applicable sections of the PIP is being requested.

APPROPRIATION: Total Amount Appropriated \$0 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: _____ Amount: _____

To: _____ Amount: _____

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 City of Jacksonville proposed to provide a Recapture Enhanced Value (REV) based on 75 percent of the increase in real and personal property taxes generated at the project site, for 15 years up to a maximum of \$5.5 million as well as a \$2 million Development Completion Grant to be disbursed in two \$1 million payments: \$1M at substantial completion and \$1M the year following substantial completion. Construction is anticipated to begin by June 30, 2023 and the project is expected to be complete by June 30, 2025. Funding will be budgeted in subsequent years during the annual budget process.

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

ACTION ITEMS:

Emergency? Yes _____ No **X** _____

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

Federal or State Mandate? Yes _____ No **X** _____

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.

CIP Amendment? Yes ___ No **X** _____

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? **OED will provide oversight and administration.**

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

Waiver of Code? Yes **X** _____ No _____

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

The proposed Development Completion Grant is not authorized by the City's Public Investment Policy (PIP) (Ord. 2022-372-E). Additionally, the project does not meet the requirement for a targeted industry or minimum of 10 new jobs for the REV Grant, so the PIP will need to be waived.

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:

11/17/22

Prepared By:



(Signature)

Date:

11/17/22

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