

LEGISLATIVE FACT SHEET

DATE: **11/03/2020**

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, Executive Director** 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 City Council approved Resolution 2016-719-A to support the development of a mixed-use commercial, office, medical and residential project at the northeast quadrant of Max Leggett Parkway and Owens Road. The Economic Development Agreement (EDA) dated September 29, 2017 required the Company to commence construction by January 1, 2018 and to complete construction of the infrastructure improvements by December 31, 2019. Amendment One to the EDA was signed on March 19, 2020. This technical amendment extended the completion date by twelve months, to December 31, 2020, due to delays related to finalizing roadway construction plans and related contracts.

The Company recently finalized negotiations for the sale of property within the Project Site that will be developed as a new VA Clinic. The clinic is expected to be fully operational by Spring 2023 and is expected to result in the creation of approximately 400 jobs and an estimated \$80M-\$100M in capital investment. No payments have been made to the Company and required reporting is up to date. For the period ending December 31, 2019, the Company reported \$1.8M in private capital investment.

In order to accommodate development of the new VA Clinic and related infrastructure improvements, the Company has requested a second amendment to the EDA to extend the completion date by an additional three (3) years, to December 31, 2023. All other provisions will remain the same.

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.)

Resolution 2016-719-A approved two incentives for the Company. The first was a REV Grant based on an estimated \$33.8M in private capital investment at the REV Grant Parcels within the development. The REV Grant Parcels include the following uses: office, medical office, bank, and warehouse/flex space. This was a ten-year REV Grant (50% of the incremental increase in ad valorem taxes), capped at \$1,750,000. The Company must invest a minimum of \$20M by December 31, 2023 or the REV Grant will be terminated. The second was a Tax Increment District (TID) Grant in an amount not to exceed \$200,000 to partially fund infrastructure improvements for the Project. To qualify for the TID Grant, the Company must demonstrate the creation of at least twenty (20) New Jobs by December 31, 2023 as well as an investment of at least \$4M in infrastructure improvements. The TID Grant funds are fully encumbered within the Jacksonville International Airport (JIA) CRA trust fund. REV Grant funds are budgeted annually during the City's 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_ 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 **X** _____ No _____

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.

Resolution 2016-791-A

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: 11/3/2020

Prepared By:



(Signature)

Date: 11/3/2020

ADMINISTRATIVE TRANSMITTAL

To: MBRC, c/o Jasmine Jordan, 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: 255-5455 E-Mail: kwendland@coj.net

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

Phone: 255-5455 E-Mail: kwendland@coj.net

CC: Leeann Krieg, Director of Intergovernmental Affairs, Office of the Mayor

Phone: 255-5015 E-Mail: leeank@coj.net

COUNCIL MEMBER/INDEPENDENT AGENCY/CONSTITUTIONAL OFFICER TRANSMITTAL

To: Peggy Sidman, Office of General Counsel, St. James Bldg., Suite 480

Phone: 255-5055 E-Mail: psidman@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: Leeann Krieg, Director of Intergovernmental Affairs, Office of the Mayor

Phone: 255-5015 E-Mail: leeank@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