LEGISLATIVE FACT SHEET

DATE: 05/02/23   BT or RC No: _____

                                                    (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/Paul Crawford

        Contact Number: 255-5446

        Email Address: paulc@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.)

A major international retailer is seeking to establish a distribution facility off Heckscher Drive in a building that is currently under construction. The retailer has a significant presence in both Florida and the United States, with similar operations in other neighboring states. The company provides offerings of household goods, clothing and food items.

The company is also considering other port cities in Florida and along the eastern U.S. seaboard for their proposed distribution facility. If Jacksonville is selected, the company will build-out the soon to be completed building with an investment of $17 million worth of real estate improvements. The company will also install $44 million worth of machinery and equipment (a.k.a. – Tangible Personal Property (TPP)) in order to implement the distribution of goods to retail stores in the region of south Georgia, south Alabama, Puerto Rico and Florida.

The company proposes to create up to 100 direct, full-time jobs no later than one year after the installation of the TPP improvements. The skill set for the jobs will be consistent with other logistics and distribution facilities in the City. The company has stated that the City of Jacksonville's proposed financial incentive is a material factor in their decision to establish a facility in the area. It is anticipated that the company would be one of the largest individual container users of JAXPORT.

The City is proposing to provide a Recapture Enhanced Value (REV) Grant based on 50 percent of the increase in real and personal property taxes generated at the project site, for 5 years, up to a maximum of $1.5 million.

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 title of legislation)

| Name of Federal Funding Source(s) | From: | Amount: |
| | To: | Amount: |

| Name of State Funding Source(s): | From: | Amount: |
| | To: | Amount: |

| Name of City of Jacksonville Funding Source(s): | From: | Amount: |
| | To: | Amount: |

| Name of In-Kind Contribution(s): | From: | Amount: |
| | To: | Amount: |

| Name & Number 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 an ongoing maintenance? … and staffing obligation? Per Chapters 122 & 106 regarding funding of anticipated post-construction operation costs.

(Minimum of 350 words - Maximum of 1 page.)

The City is proposing to utilize the Recapture Enhanced Value (REV) Grant program as stated in the City's Public Investment Policy (PIP). The REV Grant program requires the creation of "at least 10 full-time jobs" and a minimum of $10 million of investment in order to be exempt those jobs from the wage requirement. The company is investing a total of $61 million and creating 100 jobs. Based on the number of jobs and capital investment, the City is proposing a REV Grant in the amount of 50 percent of the increase in real and personal property taxes generated at the project site, for 5 years, up to a maximum of $1.5 million.

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

ACTION ITEMS:	Yes	No	
Emergency?		X	Justification of Emergency: If yes, explanation must include detailed nature of emergency.

Federal or State Mandate?		X	Explanation: If yes, explanation must include detailed nature of mandate including Statute or Provision.

Fiscal Year Carryover?		X	Note: If yes, note must include explanation of all-year subfund carryover language.

CIP Amendment?		X	Attachment: If yes, attach appropriate CIP form(s). Include justification for mid-year amendment.
Contract / Agreement Approval?	X		Attachment & Explanation: If yes, attach the Contract / Agreement and name of Department (and contact name) that will provide oversight. Indicate if negotiations are on-going and with whom. Has OGC reviewed / drafted?

A development agreement will be entered into and the Office of Economic Development will have on-going oversight and compliance responsibilities.

Related RC/BT?		X	Attachment: If yes, attach appropriate RC/BT form(s).
Waiver of Code?		X	Code Reference: If yes, identify code section(s) in box below and provide detailed explanation (including impacts) within white paper.

Code Exception?		X	Code Reference: If yes, identify code in box below and provide detailed explanation (including impacts) within white paper.

Related Enacted Ordinances?		X	Code Reference: If yes, identify related code section(s) and ordinance reference number in the box below and provide detailed explanation and any changes necessary within white paper.

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

ACTION ITEMS:

|	Yes	No	
Continuation of Grant?		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?

	Yes	No	
Surplus Property Certification?		X	Attachment: If yes, attach appropriate form(s).
Reporting Requirements?		X	Explanation: List agencies (including City Council / Auditor) to receive reports and frequency of reports, including when reports are due. Provide Department (include contact name and telephone number) responsible for generating

Division Chief: _____ Date: 5/2/23
(signature)

Prepared By: _____ Date: 5.2.23
(signature)

Rev. 8/2/2016 (CLB RM)
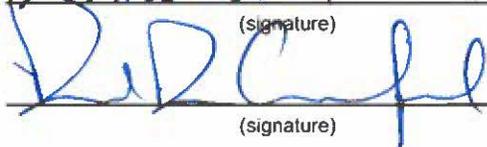
ADMINISTRATIVE TRANSMITTAL

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

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

Phone: _____ E-mail: _____

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: Paul Crawford, Deputy Director, OED
_____
(Name, Job Title, Department)

Phone: 255-5446 E-mail: paulc@coj.net

CC: Ryan Murphy

904-630-5024 E-mail: rmmurphy@coj.net

COUNCIL MEMBER / INDEPENDENT AGENCY / CONSTITUTIONAL OFFICER TRANSMITTAL

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

Phone: 904-255-5055 E-mail: psidman@coj.net

From:
_____
Initiating Council Member / Independent Agency / Constitutional Officer

Phone: _____ E-mail: _____

Primary Contact:
_____
(Name, Job Title, Department)

Phone: _____ E-mail: _____

CC: Ryan Murphy, Director of Intergovernmental Affairs, Office of the Mayor

904-255-5024 E-mail: rmmurphy@coj.net

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

Independent Agency Action Item: **Yes** **No**

Boards Action / Resolution? [ ] [X] Attachment: If yes, attach appropriate documentation. If no, when is board action scheduled?

[   ]

FACT SHEET IS REQUIRED BEFORE LEGISLATION IS INTRODUCED