

LEGISLATIVE FACT SHEET

DATE: March 31, 2023

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)

JinkoSolar is a leading international manufacturer of solar panels. JinkoSolar manufactures its products to a broad utility, commercial and residential customer base worldwide. It currently has more than two dozen manufacturing facilities and affiliates across the globe. The company was publicly listed on the New York Stock Exchange in 2010.

Jinko Solar opened its only US manufacturing facility at Cecil Commerce Center in the fourth quarter of 2018 after an exhaustive US search. The facility assembles the entire solar panel for distribution across the United States for both residential and commercial uses. The factory produces on average one solar panel per minute and is the most advanced manufacturing facility in the Southeast US.

Due to overwhelming growth and demand of its product, JinkoSolar needs to triple their current capacity. Under the previous Economic Development Agreement (EDA) approved per City Council Resolution 2018-149-A the company committed to the creation of 200 jobs; however, to-date the company has created 274 employees. The company also committed to invest \$40 million into the purchase of various machinery and equipment and real estate improvements at the site under the EDA; however, JinkoSolar has invested over \$62 million at the site.

JinkoSolar has been evaluating other locations in the US, which have made significant offers. However, we believe we are now in a favorable position to have the expansion happen here in Jacksonville. This will mean an additional projected \$52 million in building improvements and machinery/equipment investment as well as creating 250 new jobs by December 31, 2026.

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 \$2.3 million. This REV Grant will be layered atop the existing REV Grant that is capped at \$3.2 million (\$1.6 million paid to date).

JinkoSolar has stated that the City of Jacksonville incentives are material factor in its decision to expand its new manufacturing operation in Jacksonville, as opposed to another location.

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 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 \$2.3 million. This REV Grant will be layered atop the existing REV Grant that is capped at \$3.2 million (\$1.6 million paid to date).

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? **OGC will prepare the agreement and 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.

Resolution 2018-149-A

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:

3/31/2023

Prepared By:



(Signature)

Date:

3/31/2023

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