

**CITY COUNCIL RESEARCH DIVISION  
LEGISLATIVE SUMMARY**



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**Bill Type and Number:** Ordinance 2023-618

**Introducer/Sponsor(s):** Council President at the request of the Mayor

**Date of Introduction:** September 12, 2023

**Committee(s) of Reference:** NCSPHS, F

**Date of Analysis:** September 14, 2023

**Type of Action:** Authorizing amendment to economic development agreement, mortgage and promissory note, and associated documents; designation of oversight agency

**Bill Summary:** The bill authorizes the execution of a second amendment to the economic development agreement between the City and Liquidproof, LLC. It also authorizes a modification to the mortgage agreement and an amended promissory note between the City and the company to extend the maturity date of the mortgage by 10 years to 2033 and to re-amortize the remaining balance of the loan at the current interest rate for that period. The Office of Economic Development is designated as the City's oversight agency for the project.

**Background Information:** Liquidproof LLC operates a small batch craft distillery at 2917 Borden Street near New Kings Road in the Grand Park area. Via Ordinance 2017-448-E the City Council approved funding the company with a grant of \$25,000 and a loan of \$61,000 from the Northwest Jacksonville Economic Development Fund to pay for the installation of a water line to feed sufficient water supply to the building for the required fire sprinkler system. The maturity date of the loan was June 1, 2023 at which time a balloon payment in the amount of \$49,000 was due. The company was unable to make the balloon payment and currently owes \$49,103 on the loan. The Northwest Jacksonville Economic Development Fund Board approved re-amortizing the loan principal balance and extending the term of the loan for a period of ten years to enable the company to keep making monthly loan payments in lieu of the balloon payment. The interest rate on the loan is 3%.

**Policy Impact Area:** Economic development

**Fiscal Impact:** The bill eliminates the balloon payment requirement of \$49,000 and authorizes 10 more years of monthly payments.

**Analyst:** Clements