

LEGISLATIVE FACT SHEET

DATE: 11/19/2019

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 No: 255-5446 Email 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)

Ordinance 2018-195 appropriated \$3,000,000 for the Northwest Jacksonville Economic Development Fund ("NWJEDF") to address Food Desert related matters within Northwest Jacksonville. Ordinance 2019-245-E established a Full Service Grocery Store Program ("Program"), designed to provide assistance to grocery stores locating within Food Deserts. The Program allows the City to fund up to \$1.5 million or 40% of the redevelopment costs, whichever is lower, to incent a grocery store in the Northwest Jacksonville area.

In October 2019, Publix announced the closure of its long-standing grocery store at 5210 Norwood Avenue in the Gateway Mall shopping center. Following the announcement, Winn-Dixie expressed interest in opening a store to replace the Publix store and began working with the property owner, Gator Investments, Inc. This legislation will provide a grant to Winn-Dixie Stores, Inc. (d/b/a Winn Dixie Stores Leasing, LLC) in an amount not to exceed \$850,000 to offset costs associated with redeveloping and outfitting the 28,000 square foot space for a new Winn-Dixie grocery store. This project will not only ensure an on-going tax basis for the property, but will also provide a stabilizing influence to an economically struggling area of the City. Winn Dixie's investment, coupled with Gator Investments In., will be approximately \$2.125 million.

The grant will be provided upon the issuance of a Certificate of Occupancy and documentation of investments. The development agreement will include a clawback to ensure the Project continuously operates as a grocery store. The City would be reimbursed by the Company on a sliding scale at the rate of 20% of the grant amount per year over the course of a five year period. Should the project fail to continue to operate, the remaining term of the agreement will determine any applicable amount due back to the City.

APPROPRIATION: Total Amount Appropriated \$850,000.00, 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: **NW JAX Economic Development Fund - Reserves** Amount: **\$850,000.00**

To: **NW JAX Economic Development Fund – Subsidies & Contributions to Private Orgs**

Amount: **\$850,000.00**

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.)

Request is to appropriate funds for the previously approved Full Service Grocery Store Program (“Program”) in order to fund a grant to Winn-Dixie Stores, Inc. (d/b/a Winn Dixie Stores Leasing, LLC) for an amount not to exceed \$850,000 to offset costs associated with redeveloping and outfitting the 28,000 square foot space located at 5210 Norwood Avenue for a new Winn-Dixie grocery store. This project will not only ensure an on-going tax basis on the property, but will also provide a stabilizing influence to an economically struggling area of the City. Winn Dixie’s investment, coupled with Gator Investments, will be approximately \$2.125 million.

The grant will be provided upon the issuance of a Certificate of Occupancy and documentation of investments. The development agreement will include a clawback to ensure the Project continuously operates as a grocery store. The City would be reimbursed by the Company on a sliding scale at the rate of 20% of the grant amount per year over the course of a five year period. Should the project fail to

continue to operate, the remaining term of the agreement will determine any applicable amount due back to the City. The Office of Economic Development will provide oversight for the Agreement.

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

ACTION ITEMS:

Emergency? Yes _____ No _____

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

The nature of the emergency is to allow the Company to commence improvements to the premises as soon as possible so as to minimize the length of time the surrounding area will be without a full-service grocery store and access to fresh foods.

Federal or State Mandate? Yes _____ No _____

Explanation: If yes, explanation must include detailed nature of mandate include Statue or Provision.

N/A

Fiscal Year Carryover? Yes _____ No _____

Note: If yes, note must include explanation of all-year subfund carryover language.

SF75C is an all-years fund.

CIP Amendment? Yes _____ No _____

Attachment: If yes, attach appropriate CIP form(s). Include justification for mid-year amendment.

N/A

Contract/Agreement Approval? Yes _____ No _____

OED will provide oversight for the contract/agreement. The agreement has been drafted by OGC based upon negotiations with Winn Dixie

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

Waiver of Code? Yes _____ No _____

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

N/A

Code Exception: Yes _____ No _____

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

N/A

Related Enacted Ordinances? Yes _____ No _____

Ordinance 2018-195-E and Ordinance 2019-245-E.

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?

N/A

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.

N/A

Division Chief: Kirk Wendland _____

Date: 11/19/2019 _____

(Signature)

Prepared By: Paul Crawford

(Signature)

Date: 11/19/2019 _____

ADMINISTRATIVE TRANSMITTAL

To: MBRC, c/o Roselyn Chall, 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: Paul Crawford, Deputy Director, OED
(Name, Job Title, Department)

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

CC: Jordan Elsbury, Director of Intergovernmental Affairs, Office of the Mayor

Phone: 255-5013 E-Mail: jelsbury@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: Jordan Elsbury, Director of Intergovernmental Affairs, Office of the Mayor
Phone: 255-5013 E-Mail: paulc@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?

N/A

FACT SHEET IS REQUIRED BEFORE LEGISLATION IS INTRODUCED