Introduced by the Council President at the request of the Mayor:

RESOLUTION 2022-617

A RESOLUTION MAKING CERTAIN FINDINGS, AND APPROVING AND AUTHORIZING THE EXECUTION OF AN ECONOMIC DEVELOPMENT AGREEMENT ("AGREEMENT") BETWEEN THE CITY OF JACKSONVILLE ("CITY") AND ARCADIA COLD JACKSONVILLE, LLC ("COMPANY"), TO SUPPORT THE CONSTRUCTION OF THE COMPANY'S COLD STORAGE FACILITY LOCATED IN IMESON INTERNATIONAL INDUSTRIAL PARK WITHIN THE CITY ("PROJECT"); AUTHORIZING A FIVE-YEAR RECAPTURE ENHANCED VALUE (REV) GRANT OF $2,000,000; APPROVING AND AUTHORIZING THE EXECUTION OF DOCUMENTS BY THE MAYOR, OR HIS DESIGNEE, AND CORPORATION SECRETARY; AUTHORIZING APPROVAL OF TECHNICAL AMENDMENTS BY THE EXECUTIVE DIRECTOR OF THE OFFICE OF ECONOMIC DEVELOPMENT ("OED"); PROVIDING FOR OVERSIGHT BY THE OED; PROVIDING A DEADLINE FOR THE COMPANY TO EXECUTE THE AGREEMENT; WAIVER OF THAT PORTION OF THE PUBLIC INVESTMENT POLICY ADOPTED BY ORDINANCE 2022-372-E, WHICH WOULD REQUIRE THAT IN ORDER FOR A PROJECT TO RECEIVE A REV GRANT THE COMPANY MUST PAY WAGES IN CONNECTION WITH THE NEW JOBS CREATED EQUAL TO 100% OF THE STATE OF FLORIDA AVERAGE WAGE; REQUESTING TWO-READING PASSAGE PURSUANT TO COUNCIL RULE 3.305; PROVIDING AN EFFECTIVE DATE.

WHEREAS, Arcadia Cold Jacksonville, LLC (the "Company") is proposing to construct a new cold storage facility and create 60 new permanent full-time equivalent new jobs in Jacksonville with an average salary, exclusive of benefits, of at least $50,500 per annum by December 31, 2027, with an estimated new capital investment of $86,500,000, all as further described in the Project Summary attached hereto as **Exhibit 1** and incorporated herein by this reference; and

WHEREAS, for the reasons more fully described in the Project Summary, the payment of the REV Grant in such amounts serves a paramount public purpose; and

WHEREAS, the OED has reviewed the application submitted by the Company for community development; and, together with representatives of the City, negotiated the Agreement. Accordingly, based upon the contents of the Agreement, it has been determined that the Agreement and the uses contemplated therein to be in the public interest, and that the public actions and financial assistance contemplated in the Agreement take into account and give consideration to the long-term public interests and public interest benefits to be achieved by the City; and

WHEREAS, the Company has requested the City to enter into an agreement in substantially the form placed **On File** with the Office of Legislative Services; now therefore,

BE IT RESOLVED by the Council of the City of Jacksonville:

Section 1. Findings. It is hereby ascertained, determined, found and declared as follows:

(a) The recitals set forth herein are true and correct.

(b) The location of the Company's Project in Jacksonville, Florida, is more particularly described in the Agreement. The Project will promote and further the public and municipal purposes of the City.

(c) Enhancement of the City's tax base and revenues, are matters of State and City policy and State and City concern in order that the State and its counties and municipalities, including the City, shall not continue to be endangered by unemployment, underemployment, economic recession, poverty, crime and disease, and consume an excessive proportion of the State and City revenues because of the extra services required for police, fire, accident, health care, elderly care, charity care, hospitalization, public housing and housing assistance, and other forms of public protection, services and facilities.

(d) The provision of the City's assistance as identified in the Agreement is necessary and appropriate to make the Project feasible; and the City's assistance is reasonable and not excessive, taking into account the needs of the Company to make the Project economically and financially feasible, and the extent of the public benefits expected to be derived from the Project, and taking into account all other forms of assistance available.

(e) The Company is qualified to carry out and complete the construction and equipping of the Project, in accordance with the Agreement.

(f) The authorizations provided by this Resolution are for public uses and purposes for which the City may use its powers as a county, municipality and as a political subdivision of the State of Florida and may expend public funds, and the necessity in the public interest for the provisions herein enacted is hereby declared as a matter of legislative determination.

(g) This Resolution is adopted pursuant to the provisions of Chapters 163, 166 and 125, Florida Statutes, as amended, the City’s Charter, and other applicable provisions of law.

Section 2. Economic Development Agreement Approved. There is hereby approved, and the Mayor and Corporation Secretary are authorized to execute and deliver, for and on behalf of the City, an agreement between the City and the Company, substantially in the form placed **On File** with the Office of Legislative Services (with such "technical" changes as herein authorized), for the purpose of implementing the recommendations of the OED, as are further described in the Project Summary attached hereto as **Exhibit 1**.

The Agreement may include such additions, deletions and changes as may be reasonable, necessary and incidental for carrying out the purposes thereof, as may be acceptable to the Mayor, or his designee, with such inclusion and acceptance being evidenced by execution of the Agreement by the Mayor or his designee. No modification to the Agreement may increase the financial obligations or the liability of the City and any such modification shall be technical only and shall be subject to appropriate legal review and approval of the General Counsel, or his or her designee, and all other appropriate action required by law. "Technical" is herein defined as including, but not limited to, changes in legal descriptions and surveys, descriptions of infrastructure improvements and/or any road project, ingress and egress, easements and rights of way, performance schedules (provided that no performance schedule may be extended for more than one year without City Council approval) design standards, access and site plan, which have no financial impact.

Section 3. Payment of REV Grant.

(a) The REV Grant shall not be deemed to constitute a debt, liability, or obligation of the City or of the State of Florida or any political subdivision thereof within the meaning of any constitutional or statutory limitation, or a pledge of the faith and credit or taxing power of the City or of the State of Florida or any political subdivision thereof, but shall be payable solely from the funds provided therefor as provided in this Section. The Agreement shall contain a statement to the effect that the City shall not be obligated to pay any installment of its financial assistance to the

Company except from the non-ad valorem revenues or other legally available funds provided for that purpose, that neither the faith and credit nor the taxing power of the City or of the State of Florida or any political subdivision thereof is pledged to the payment of any portion of such financial assistance, and that the Company, or any person, firm or entity claiming by, through or under the Company, or any other person whomsoever, shall never have any right, directly or indirectly, to compel the exercise of the ad valorem taxing power of the City or of the State of Florida or any political subdivision thereof for the payment of any portion of such financial assistance.

(b) The Mayor, or his designee, is hereby authorized to and shall disburse the annual installments of the REV Grant as provided in this Section in accordance with this Resolution and the Agreement.

Section 4. Designation of Authorized Official/OED Contract Monitor. The Mayor is designated as the authorized official of the City for the purpose of executing and delivering any contracts and documents and furnishing such information, data and documents for the Agreement and related documents as may be required and otherwise to act as the authorized official of the City in connection with the Agreement, and is further authorized to designate one or more other officials of the City to exercise any of the foregoing authorizations and to furnish or cause to be furnished such information and take or cause to be taken such action as may be necessary to enable the City to implement the Agreement according to its terms. The OED is hereby required to administer and monitor the Agreement and to handle the City's responsibilities thereunder, including the City's responsibilities under such Agreement working with and supported by all relevant City departments.

Section 5. Further Authorizations. The Mayor, or his designee, and the Corporation Secretary, are hereby authorized to execute and deliver the Agreement and all other contracts and documents and otherwise take all necessary action in connection therewith and herewith. The Executive Director of the OED, as contract administrator, is authorized to negotiate and execute all necessary changes and amendments to the Agreement and other contracts and documents, to effectuate the purposes of this Resolution, without further Council action, provided such changes and amendments are limited to amendments that are technical in nature (as described in Section 2 hereof), and further provided that all such amendments shall be subject to appropriate legal review and approval by the General Counsel, or his or her designee, and all other appropriate official action required by law.

Section 6. Oversight Department. The OED shall oversee the Project described herein.

Section 7. Execution of Agreement. If the Agreement approved by this Resolution has not been signed by the Company within ninety (90) days after the OED delivers or mails the unexecuted Agreement to the Company for execution, then the City Council approvals in this Resolution and authorization for the Mayor to execute the Agreement are automatically revoked; provided, however, that the Executive Director of the OED shall have the authority to extend such ninety (90) day period in writing at his discretion for up to an additional ninety (90) days.

Section 8. Waiver of Public Investment Policy. The following requirements of the Public Investment Policy adopted by City Council Ordinance 2022-372-E are hereby waived: that in order to provide a REV Grant for the Project, the Company must pay wages greater than or equal to 100 percent of the State of Florida average wage. The waiver is justified due to the fact that the Project will cause private capital investment of approximately $86,500,000 in the Project within north Jacksonville.

Section 9. Requesting Two Reading Passage Pursuant to

Council Rule 3.305. Two reading passage of this legislation is requested pursuant to Council Rule 3.305.

Section 10. Effective Date. This Resolution shall become effective upon signature by the Mayor or upon becoming effective without the Mayor's signature.

Form Approved:

/s/ John Sawyer

Office of General Counsel

Legislation Prepared By: John Sawyer

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