

1 Introduced by the Council President at the request of the Mayor and  
2 amended by the Finance Committee:

3  
4  
5 **ORDINANCE 2023-310-E**

6 AN ORDINANCE MAKING CERTAIN FINDINGS AND  
7 APPROPRIATING \$5,500,000 FROM THE DEBT  
8 MANAGEMENT FUND TO: (1) PROVIDE \$3,000,000 TO A  
9 NEW CIP PROJECT ENTITLED "LOGISTICS LANE ROAD  
10 EXTENSION" (THE "ROAD PROJECT"); AND (2) PROVIDE  
11 \$2,500,000 AS THE CITY OF JACKSONVILLE'S  
12 CONTRIBUTION TO JEA FOR PARTIAL FUNDING FOR  
13 SEWER AND WATER INFRASTRUCTURE IMPROVEMENTS TO  
14 BE CONSTRUCTED BY OR ON BEHALF OF JEA PURSUANT  
15 TO THE JEA FUNDING AGREEMENT AUTHORIZED HEREBY  
16 (THE "JEA CONTRIBUTION"), AS INITIATED BY B.T.  
17 23-086; PURPOSE OF APPROPRIATION; AMENDING THE  
18 2023-2027 FIVE-YEAR CAPITAL IMPROVEMENT PLAN  
19 APPROVED BY ORDINANCE 2022-505-E TO ADD THE  
20 PROJECT ENTITLED "LOGISTICS LANE ROAD EXTENSION"  
21 AND TO REFLECT THIS APPROPRIATION OF FUNDS TO  
22 THE ROAD PROJECT; AMENDING ORDINANCE 2022-504-  
23 E, THE FISCAL YEAR 2022-2023 BUDGET ORDINANCE,  
24 TO REPLACE SEVENTH REVISED SCHEDULE B4 TO  
25 REFLECT THE APPROPRIATION OF FUNDS TO THE ROAD  
26 PROJECT AND THE JEA CONTRIBUTION; APPROVING AND  
27 AUTHORIZING THE MAYOR, OR HIS DESIGNEE, AND THE  
28 CORPORATION SECRETARY TO EXECUTE AND DELIVER,  
29 FOR AND ON BEHALF OF THE CITY OF JACKSONVILLE  
30 ("CITY"), THE REDEVELOPMENT AGREEMENT BETWEEN  
31 COSENTINO INDUSTRIAL USA, LLC ("COMPANY") AND

1 THE CITY, PURSUANT TO WHICH THE COMPANY MAY  
2 PURCHASE APPROXIMATELY 330 ACRES OF THE CITY-  
3 OWNED MEGA SITE AT CECIL COMMERCE CENTER AT AN  
4 ESTIMATED PURCHASE PRICE OF \$20,520,000, ON  
5 WHICH COMPANY INTENDS TO CONSTRUCT A NEW, MULTI-  
6 PHASED MANUFACTURING FACILITY (THE "PROJECT"),  
7 WITH THE OPTION TO PURCHASE UP TO AN ADDITIONAL  
8 150 ACRES FOR A TERM OF SEVEN YEARS FOLLOWING  
9 SUBSTANTIAL COMPLETION OF THE INITIAL  
10 IMPROVEMENTS, AT A PURCHASE PRICE OF 75% OF THE  
11 THEN APPRAISED VALUE FOR THE OPTION PARCEL;  
12 AUTHORIZING A FIFTY PERCENT, TEN YEAR RECAPTURE  
13 ENHANCED VALUE GRANT IN THE MAXIMUM AMOUNT NOT  
14 TO EXCEED \$12,000,000 ("REV GRANT"); DESIGNATION  
15 OF AUTHORIZED OFFICIAL AND CONTRACT MONITOR;  
16 AUTHORIZING APPROVAL OF TECHNICAL AMENDMENTS BY  
17 THE EXECUTIVE DIRECTOR OF THE OFFICE OF ECONOMIC  
18 DEVELOPMENT ("OED"); PROVIDING FOR CITY OF  
19 JACKSONVILLE OVERSIGHT BY THE OED; PROVIDING A  
20 DEADLINE FOR THE COMPANY TO EXECUTE THE  
21 AGREEMENT; AFFIRMING THE PROJECT'S COMPLIANCE  
22 WITH THE PUBLIC INVESTMENT POLICY ADOPTED BY  
23 ORDINANCE 2022-372-E, AS AMENDED; REQUESTING  
24 ONE-CYCLE EMERGENCY PASSAGE; PROVIDING AN  
25 EFFECTIVE DATE.

26  
27 **WHEREAS,** Cosentino Industrial USA, LLC (the "Company") is  
28 proposing to purchase an approximately 330 acre portion of the City-  
29 owned Mega Site within Cecil Commerce Center, and the Company intends  
30 to construct thereon as its initial phase of improvements a 408,000  
31 square foot manufacturing facility, with an additional 734,000 square

1 feet of adjacent support area, with two production lines, with an  
2 estimated private capital investment of \$270,000,000, and the Company  
3 has committed to the creation of 180 new jobs with an average wage  
4 of \$56,594 by December 31, 2028 (the "Project"), all as further  
5 described in the Project Summary attached hereto as **Exhibit 1**; and

6 **WHEREAS**, in support of the Project, the City has agreed to  
7 extend Logistics Lane by approximately a quarter mile at an estimated  
8 cost of \$3,000,000, and has also agreed to provide a contribution to  
9 JEA in the amount of \$2,500,000, with JEA providing \$6,000,000 of its  
10 own funds, for the JEA or its designee to construct certain water and  
11 sewer infrastructure improvements (the "Utility Improvements") in  
12 support of the Project, as further detailed in the Redevelopment  
13 Agreement authorized hereby; and

14 **WHEREAS**, in addition, the City has agreed to design and  
15 construct a Rail Extension Project (as defined in the Redevelopment  
16 Agreement) to be owned by the City, to provide a rail spur from the  
17 existing CSX main line, beginning north of I-10 and terminating at  
18 the south western edge of the Project Parcel to provide direct rail  
19 access to the Project Parcel, with an estimated cost of \$8,000,000,  
20 funded in part from a State of Florida grant in the amount of  
21 \$5,500,000 and \$2,500,000 of City funds appropriated via separate  
22 legislation, with the Company responsible for routine maintenance and  
23 repairs thereof and the City responsible for capital improvements and  
24 capital repairs, in accordance with the Rail Extension Maintenance  
25 Agreement authorized hereby and pursuant to the Redevelopment  
26 Agreement; and

27 **WHEREAS**, the Redevelopment Agreement also authorizes the  
28 Company to purchase approximately 330 acres of the City-owned Mega  
29 Site at Cecil Commerce Center at an estimated purchase price of  
30 \$20,520,000 (the "Sale Proceeds"), and upon the closing on the  
31 property and receipt of the Sale Proceeds the City intends to file

1 legislation to appropriate portions of the Sale Proceeds in  
2 substitution of the other City funding authorizations referenced  
3 herein; and

4 **WHEREAS,** the City is a party to that certain Master Disposition  
5 and Development Agreement ("MDDA") with Jacksonville/Cecil Commerce  
6 Center, LLC ("Hillwood Development"), which defines the requirements  
7 for development of the Mega Site at Cecil Commerce Center; Hillwood  
8 Development has delivered to the City an estoppel certificate,  
9 attached hereto as **Exhibit 5**, waiving all claims and rights to contest  
10 the development by the Company as a "Mega Site End User" as such term  
11 is defined in the MDDA; and

12 **WHEREAS,** for the reasons more fully described in the Project  
13 Summary, the payment of the REV Grant in such amounts and other City  
14 funds as set forth herein and in the Redevelopment Agreement serves  
15 a paramount public purpose; and

16 **WHEREAS,** the City's Office of Economic Development ("OED") has  
17 reviewed the application submitted by the Company for community  
18 development, and, together with representatives of the City,  
19 negotiated the Redevelopment Agreement and, based upon the contents  
20 of the Redevelopment Agreement, has determined the Redevelopment  
21 Agreement and the uses contemplated therein to be in the public  
22 interest, and has determined that the public actions and financial  
23 assistance contemplated in the Redevelopment Agreement and hereby  
24 take into account and give consideration to the long-term public  
25 interests and public interest benefits to be achieved by the City;  
26 and

27 **WHEREAS,** the Company has requested the City to enter into the  
28 Redevelopment Agreement in substantially the form placed **Revised On**  
29 **File** with the Office of Legislative Services; now therefore

30 **BE IT ORDAINED** by the Council of the City of Jacksonville:

31 **Section 1. Findings.** It is hereby ascertained, determined,

1 found and declared as follows:

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

3 (b) The location of the Company's Project at Cecil Commerce  
4 Center in Jacksonville, Florida, is more particularly described in  
5 the Redevelopment Agreement. The Project will promote and further the  
6 public and municipal purposes of the City.

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

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

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

27 (f) The authorizations provided by this Ordinance are for  
28 public uses and purposes for which the City may use its powers as a  
29 county, municipality and as a political subdivision of the State of  
30 Florida and may expend public funds, and the necessity in the public  
31 interest for the provisions herein enacted is hereby declared as a

1 matter of legislative determination.

2 (g) This Ordinance is adopted pursuant to the provisions of  
3 Chapters 163, 166 and 125, *Florida Statutes*, as amended, the City's  
4 Charter, and other applicable provisions of law.

5 **Section 2. Appropriation.** For the 2022-2023 fiscal year,  
6 within the City's budget, there are hereby appropriated the indicated  
7 sum(s) from the account(s) listed in subsection (a) to the account(s)  
8 listed in subsection (b): (B.T. 23-086, attached hereto as **Exhibit 2**  
9 and incorporated herein by this reference):

10 (a) Appropriated from:

11 See B.T. 23-086 \$5,500,000

12 (b) Appropriated to:

13 See B.T. 23-086 \$5,500,000

14 (c) **Explanation of Appropriation:**

15 The funding above appropriates \$5,500,000 from the City's  
16 Debt Management Fund to provide funding for the Road  
17 Project and assist with costs related to water and sewer  
18 infrastructure improvements for the Project.

19 **Section 3. Purpose.** The purpose of the appropriation in  
20 Section 2 is to provide funding for the Road Project, which is  
21 estimated to cost \$3,000,000, as well as to provide \$2,500,000 to JEA  
22 to partially offset costs for water and sewer infrastructure  
23 improvements to be constructed by or on behalf of JEA related to the  
24 Project. This appropriation will constitute a loan from the City's  
25 Debt Management Fund that will accrue interest beginning on the date  
26 it is funded. The loan will be repaid, in full, with accrued interest,  
27 upon the sale of the Project Parcel to the Company or may be repaid  
28 sooner in the event the Cecil Commerce Center Trust Fund receives  
29 sufficient revenues from additional consideration payments, land  
30 sales, or other sources.

31 **Section 4. CIP Amendment.** Ordinance 2022-505-E, adopting

1 the 2023-2027 Five-Year Capital Improvement Plan for the City and  
2 certain of its independent agencies, is hereby amended to provide  
3 funding for the Project more fully described in the Project  
4 Information Sheet attached hereto as **Exhibit 4** and incorporated herein  
5 by this reference. The Council finds that the deferral of this  
6 amendment of the CIP until the next annual budget and CIP review will  
7 be detrimental to the best interests of the community because such  
8 deferral will unnecessarily delay completion of the Project.

9 Pursuant to Section 122.605(c), *Ordinance Code*, enactment of  
10 this ordinance requires the affirmative vote of two-thirds of the  
11 Council members present at the meeting because of the CIP amendment  
12 set forth in this section. This ordinance shall constitute an  
13 amendment to Ordinance 2022-505-E. In all other respects, the Five-  
14 Year Capital Improvement Program approved by Ordinance 2022-505-E  
15 shall continue in full force and effect.

16 **Section 5. Amending 2022-504-E, the FY 2022-2023 Budget**  
17 **Ordinance, to replace Seventh Revised Schedule B4 to provide funding**  
18 **for the Logistics Lane Road Extension Project and JEA Contribution.**

19 2022-504-E, the FY 2022-2023 Budget Ordinance, is hereby amended to  
20 replace Seventh Revised Schedule B4, entitled "FY 22-23 Debt  
21 Management Fund Detail" to provide \$3,000,000 in funding to the Road  
22 Project and \$2,500,000 in funding for the JEA Contribution in the  
23 current fiscal year. The Eighth Revised Schedule B4 is attached hereto  
24 as **Exhibit 3**.

25 **Section 6. Redevelopment Agreement Approved.** The Mayor, or  
26 his designee, and the Corporation Secretary are hereby authorized to  
27 execute and deliver, for and on behalf of the City, the Redevelopment  
28 Agreement substantially in the form placed **Revised On File** with the  
29 Office of Legislative Services (with such "technical" changes as  
30 herein authorized), for the purpose of implementing the  
31 recommendations of the OED, as are further described in the Project

1 Summary attached hereto as **Exhibit 1**.

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

19 **Section 7. JEA Sewer and Water Infrastructure Improvements**  
20 **Funding Agreement authorized.** The Mayor, or his designee, and the  
21 Corporation Secretary, are hereby authorized to enter into a funding  
22 agreement (the "JEA Funding Agreement"), whereby the City will provide  
23 \$2,500,000 to the JEA within thirty days of execution thereof, with  
24 JEA providing \$6,000,000 of its own funds, to be used exclusively for  
25 the design and construction of the Utility Improvements (as defined  
26 in the Redevelopment Agreement). The Funding Agreement shall provide  
27 the City has no responsibility for any cost overruns related to the  
28 design and construction of the Utility Improvements, and shall also  
29 provide that if the total cost of the Utility Improvements is less  
30 than \$8,500,000 any cost savings shall accrue to the JEA and the City  
31 on a pro rata basis (the "Excess Funds"), and shall also provide the



1 Excess Funds will be refunded to the City within thirty days of  
2 notification thereof.

3 **Section 8. Payment of the Recapture Enhanced Value (REV)**  
4 **Grant.**

5 (a) The REV Grant shall not be deemed to constitute a debt,  
6 liability, or obligation of the City or of the State of Florida or  
7 any political subdivision thereof within the meaning of any  
8 constitutional or statutory limitation, or a pledge of the faith and  
9 credit or taxing power of the City or of the State of Florida or any  
10 constitutional or any political subdivision thereof but shall be  
11 payable solely from the funds provided therefor as provided in this  
12 Section. The Agreement shall contain a statement of the effect that  
13 the City shall not be obligated to pay any installment of its  
14 financial assistance to the Company except from the non-ad valorem  
15 revenues or other legally available funds provided for that purpose,  
16 that neither the faith and credit nor the taxing power of the City  
17 or of the State of Florida or any political subdivision thereof is  
18 pledged to the payment of any portion of such financial assistance,  
19 and that the Company, or any person, firm or entity claiming by,  
20 through or under the Company, or any other person whomsoever, shall  
21 never have any right, directly or indirectly, to compel the exercise  
22 of the ad valorem taxing power of the City or of the State of Florida  
23 or any political subdivision thereof for the payment of any portion  
24 of such financial assistance.

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

28 **Section 9. Designation of Authorized Official/OED Contract**  
29 **Monitor.** The Mayor is designated as the authorized official of the  
30 City for the purpose of executing and delivering any contracts and  
31 documents and furnishing such information, data and documents for the

1 Agreement and related documents as may be required and otherwise to  
2 act as the authorized official of the City in connection with the  
3 Agreement, and is further authorized to designate one or more other  
4 officials of the City to exercise any of the foregoing authorizations  
5 and to furnish or cause to be furnished such information and take or  
6 cause to be taken such action as may be necessary to enable the City  
7 to implement the Agreement according to its terms. The OED is hereby  
8 required to administer and monitor the Agreement and to handle the  
9 City's responsibilities thereunder, including the City's  
10 responsibilities under such Agreement working with and supported by  
11 all relevant City departments.

12       **Section 10. Further Authorizations.** The Mayor, or his  
13 designee, and the Corporation Secretary, are hereby authorized to  
14 execute the Redevelopment Agreement and all other contracts and  
15 documents and otherwise take all necessary action in connection  
16 therewith and herewith. The Executive Director of the OED, as contract  
17 administrator, is authorized to negotiate and execute all necessary  
18 changes and amendments to the Redevelopment Agreement and other  
19 contracts and documents, to effectuate the purposes of this Ordinance,  
20 without further Council action, provided such changes and amendments  
21 are limited to amendments that are technical in nature (as described  
22 in Section 4 hereof), and further provided that all such amendments  
23 shall be subject to appropriate legal review and approval by the  
24 General Counsel, or his or her designee, and all other appropriate  
25 official action required by law.

26       **Section 11. Oversight Department.** The Office of Economic  
27 Development shall oversee the Project described herein.

28       **Section 12. Execution of the Redevelopment Agreement.** If  
29 the Redevelopment Agreement approved by this Ordinance has not been  
30 signed by the Company within ninety (90) days after the OED delivers  
31 or mails the unexecuted Redevelopment Agreement to the Company for

1 execution, then the City Council approvals in this Ordinance and  
2 authorization for the Mayor to execute the Agreement are automatically  
3 revoked; provided, however, that the Executive Director of the OED  
4 shall have the authority to extend such ninety (90) day period in  
5 writing at his discretion for up to an additional ninety (90) days.

6 **Section 13. Public Investment Policy.** This Ordinance  
7 conforms to the guidelines provided in the Public Investment Policy  
8 adopted by City Council Ordinance 2022-372-E, as amended.

9 **Section 14. One-cycle emergency passage requested pursuant**  
10 **to Council Rule 4.901.** One-cycle emergency passage is requested for  
11 this legislation. The nature of the emergency is that because of the  
12 CIP amendment authorized hereby, an ordinance rather than a resolution  
13 was required, and thus the two reading process for economic  
14 development investment incentives was unavailable and the Company has  
15 assumed such two-reading cycle in planning its project timelines.  
16 One-cycle emergency passage of this Ordinance will allow the Company  
17 to commence with its development without any unnecessary delays.

18 **Section 15. Effective Date.** This Ordinance shall become  
19 effective upon signature by the Mayor or upon becoming effective  
20 without the Mayor's signature.

21  
22 Form Approved:

23  
24           /s/ Mary E. Staffopoulos          

25 Office of General Counsel

26 Legislation Prepared By: John Sawyer

27 GC-#1568007-v1-2023-310-E.docx