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City of Jacksonville, Florida

Lenny Curry, Mayor

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CONFIDENTIAL
Phoenix Products
Summary
August 31, 2020

Company:

Phoenix Products
1727 Bennett Street
Jacksonville, FL 32206

Background:

Phoenix Products is a manufacturer of custom generator enclosures, fuel tanks and fueling systems for standby power, prime power, and peak shaving power applications. All products are custom fabricated for specific uses and users. The company was founded in 1991 and was purchased by Ring Power Corporation in 2006. The parent company is evaluating constructing a new administrative building, reconfiguring the site to improve the efficiency, assembly and manufacturing capacity or relocating to a more suitable location.

The project site is constrained by existing development. To construct the new administrative building, they must purchase and demolish an existing building located at 1544 E. 8th Street. To increase their manufacturing capacity and efficiency they must invest in additional infrastructure improvements including utility upgrades, storm water improvements an expanded assembly/staging area within the existing confines of the site to meet their needs. The costs associated with these additional requirements are a material factor for Phoenix Products to remain at their current location. The estimated costs associated with this retention/expansion project is estimated to be \$2,144,000 and summarized as follows:

• Site Acquisition & Demolition	\$ 290,000
• Infrastructure Improvements	420,000
• New Construction Administration Building	1,001,000
• Architectural/Engineering and Legal Fees	30,000
• Machinery & Equipment	<u>403,000</u>
Total	\$2,144,000

Phoenix presently employs 85 full time persons at an average wage of \$44,800 (\$21.54 hr.) plus benefits. Annual payroll averages \$3.8 million plus benefits. Phoenix estimates that the expansion would result in the creation of an additional 12 employees over the next five (5) years averaging \$44,200 per year plus benefits.

Project Assistance: Northwest Economic Development Fund Business Infrastructure Grant (BIG) in the amount of \$100,000. Level of assistance recommended is within Public Investment Guidelines for a NW BIG grant.

Estimated ROI is 2.05 : 1