

1 Introduced by the Council President at the request of the Mayor:
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4 **RESOLUTION 2023-15**

5 A RESOLUTION MAKING CERTAIN FINDINGS, AND
6 APPROVING AND AUTHORIZING THE EXECUTION OF AN
7 AMENDED AND RESTATED ECONOMIC DEVELOPMENT
8 AGREEMENT ("AGREEMENT") BETWEEN THE CITY OF
9 JACKSONVILLE ("CITY") AND FLEXCOLD, LLC AND
10 11180 BLASIUS ROAD, LLC (COLLECTIVELY, THE
11 "COMPANY"), TO SUPPORT THE CREATION OF COMPANY'S
12 OPERATIONS AT A NEW FACILITY LOCATED AT
13 GENERALLY AT 11180 BLASIUS ROAD WITHIN THE CITY
14 ("PROJECT"); AUTHORIZING A REVISED FIVE-YEAR
15 RECAPTURE ENHANCED VALUE (REV) GRANT IN THE
16 MAXIMUM AMOUNT OF \$2,500,000, WHICH INCREASES
17 THE MAXIMUM AMOUNT THEREOF BY \$1,400,000;
18 APPROVING AND AUTHORIZING THE EXECUTION OF
19 DOCUMENTS BY THE MAYOR, OR HIS DESIGNEE, AND
20 CORPORATION SECRETARY; AUTHORIZING APPROVAL OF
21 TECHNICAL AMENDMENTS BY THE EXECUTIVE DIRECTOR
22 OF THE OFFICE OF ECONOMIC DEVELOPMENT ("OED");
23 PROVIDING FOR OVERSIGHT BY THE OED; PROVIDING A
24 DEADLINE FOR THE COMPANY TO EXECUTE THE
25 AGREEMENT; AFFIRMING THE PROJECT'S COMPLIANCE
26 WITH THE PUBLIC INVESTMENT POLICY ADOPTED BY
27 ORDINANCE 2022-372-E, AS AMENDED; REQUESTING
28 TWO-READING PASSAGE PURSUANT TO COUNCIL RULE
29 3.305; PROVIDING AN EFFECTIVE DATE.

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31 **WHEREAS**, the City of Jacksonville ("City") and 11180 Blasius

1 Road, LLC ("Blasius") have previously entered into that certain
2 Economic Development Agreement dated June 21, 2021 as authorized by
3 Resolution 2021-187-A ("Prior Agreement"), pursuant to which Blasius
4 was to establish a refrigerated processing, warehousing and storage
5 facility with an estimated capital investment of \$47,000,000, with
6 20 new jobs created, and the City was to provide a \$1,100,000 REV
7 Grant related thereto; and

8 **WHEREAS**, the scope of the project has increased and Blasius has
9 requested to amend and restate the Prior Agreement to: (i) add an
10 additional 196,000 square feet to the under-construction cold storage
11 facility, to a total of 346,000 square feet, and purchase of
12 additional machinery and equipment, with a correlating increase in
13 capital investment from \$47,000,000 to an estimated total capital
14 investment of \$115,000,000; (ii) increase the number of New Jobs from
15 20 to 40, extending the job creation schedule for an additional two
16 years, to December 31, 2025, and increase the average wage from
17 \$51,192 to \$55,422; (iii) extend the construction completion date for
18 an additional year, to December 31, 2024; (iv) increase the REV Grant
19 maximum amount from \$1,100,000 to \$2,500,000; and (v) add Flexcold,
20 LLC ("Flexcold") as a party to the Amended and Restated Agreement,
21 with all other terms and conditions remaining unchanged; and

22 **WHEREAS**, such average salary is equal to 100% of the average
23 private-sector wage in the State effective as of January 1, 2022; and

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

27 **WHEREAS**, the OED has reviewed the application submitted by
28 Flexcold and Blasius (collectively, the "Company") for community
29 development; and, together with representatives of the City,
30 negotiated the Amended and Restated Agreement. Accordingly, based
31 upon the contents of the Amended and Restated Agreement, it has been

1 determined that the Amended and Restated Agreement and the uses
2 contemplated therein to be in the public interest, and that the public
3 actions and financial assistance contemplated in the Amended and
4 Restated Agreement take into account and give consideration to the
5 long-term public interests and public interest benefits to be achieved
6 by the City; and

7 **WHEREAS**, the Company has requested the City to enter into the
8 Amended and Restated Agreement in substantially the form placed **On**
9 **File** with the Office of Legislative Services; now therefore,

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

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

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

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

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

28 (d) The provision of the City's assistance as identified in the
29 Agreement is necessary and appropriate to make the Project feasible;
30 and the City's assistance is reasonable and not excessive, taking
31 into account the needs of the Company to make the Project economically

1 and financially feasible, and the extent of the public benefits
2 expected to be derived from the Project, and taking into account all
3 other forms of assistance available.

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

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

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

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

25 The Amended and Restated Agreement may include such additions,
26 deletions and changes as may be reasonable, necessary and incidental
27 for carrying out the purposes thereof, as may be acceptable to the
28 Mayor, or his designee, with such inclusion and acceptance being
29 evidenced by execution of the Agreement by the Mayor or his designee.
30 No modification to the Amended and Restated Agreement may increase
31 the financial obligations or the liability of the City and any such

1 modification shall be technical only and shall be subject to
2 appropriate legal review and approval of the General Counsel, or his
3 or her designee, and all other appropriate action required by law.
4 "Technical" is herein defined as including, but not limited to,
5 changes in legal descriptions and surveys, descriptions of
6 infrastructure improvements and/or any road project, ingress and
7 egress, easements and rights of way, performance schedules (provided
8 that no performance schedule may be extended for more than one year
9 without City Council approval) design standards, access and site
10 plan, which have no financial impact.

11 **Section 3. Payment of REV Grant.**

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

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

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

21 **Section 5. Further Authorizations.** The Mayor, or his
22 designee, and the Corporation Secretary, are hereby authorized to
23 execute and deliver the Amended and Restated Agreement and all other
24 contracts and documents and otherwise take all necessary action in
25 connection therewith and herewith. The Executive Director of the OED,
26 as contract administrator, is authorized to negotiate and execute all
27 necessary changes and amendments to the Amended and Restated Agreement
28 and other contracts and documents, to effectuate the purposes of this
29 Resolution, without further Council action, provided such changes and
30 amendments are limited to amendments that are technical in nature (as
31 described in Section 2 hereof), and further provided that all such

1 amendments shall be subject to appropriate legal review and approval
2 by the General Counsel, or his or her designee, and all other
3 appropriate official action required by law.

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

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

16 **Section 8. Public Investment Policy.** This Resolution
17 conforms to the guidelines provided in the Public Investment Policy
18 most recently adopted by City Council Ordinance 2022-372-E, as
19 amended.

20 **Section 9. Requesting Two Reading Passage Pursuant to**
21 **Council Rule 3.305.** Two reading passage of this legislation is
22 requested pursuant to Council Rule 3.305.

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

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28 Form Approved:

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30 /s/ John Sawyer

31 Office of General Counsel

1 Legislation Prepared By: John Sawyer

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