

1 Introduced by the Council President at the request of the Mayor and
2 amended by the Finance Committee:
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5 **RESOLUTION 2020-95-A**

6 A RESOLUTION MAKING CERTAIN FINDINGS, AND
7 APPROVING AND AUTHORIZING THE EXECUTION OF AN
8 ECONOMIC DEVELOPMENT AGREEMENT ("AGREEMENT")
9 BETWEEN THE CITY OF JACKSONVILLE ("CITY") AND
10 CMC STEEL US, LLC ("COMPANY"), TO SUPPORT THE
11 RENOVATION BY COMPANY OF ITS EXISTING
12 MANUFACTURING FACILITY LOCATED AT 16770 REBAR
13 ROAD IN THE CITY ("PROJECT"); AUTHORIZING A
14 RECAPTURE ENHANCED VALUE (REV) GRANT OF
15 \$450,000; APPROVING AND AUTHORIZING EXECUTION
16 OF DOCUMENTS BY THE MAYOR OR HIS DESIGNEE AND
17 CORPORATION SECRETARY; AUTHORIZING APPROVAL OF
18 TECHNICAL AMENDMENTS BY THE EXECUTIVE DIRECTOR
19 OF THE OFFICE OF ECONOMIC DEVELOPMENT ("OED");
20 PROVIDING FOR OVERSIGHT BY THE OED; PROVIDING
21 A DEADLINE FOR THE COMPANY TO EXECUTE THE
22 AGREEMENT; WAIVER OF THAT PORTION OF THE
23 PUBLIC INVESTMENT POLICY ADOPTED BY ORDINANCE
24 2016-382-E, AS AMENDED, WHICH WOULD REQUIRE
25 THAT IN ORDER FOR A PROJECT TO RECEIVE A 50%
26 REV GRANT FOR A 5-YEAR PERIOD, THE COMPANY
27 MUST CREATE 10 NEW JOBS; REQUESTING TWO-
28 READING PASSAGE PURSUANT TO COUNCIL RULE
29 3.305; PROVIDING AN EFFECTIVE DATE.
30

1 **WHEREAS**, CMC Steel US, LLC (the "Company") has committed to
2 retain 250 permanent full-time equivalent jobs in Jacksonville, as
3 further described in the Project Summary attached hereto as **Exhibit**
4 **1**; and

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

8 **WHEREAS**, the OED has reviewed the application submitted by the
9 Company for community development, and, together with
10 representatives of the City, negotiated the Agreement and, based
11 upon the contents of the Agreement, has determined the Agreement
12 and the uses contemplated therein to be in the public interest, and
13 has determined that the public actions and financial assistance
14 contemplated in the Agreement take into account and give
15 consideration to the long-term public interests and public interest
16 benefits to be achieved by the City; and

17 **WHEREAS**, the Company has requested the City to enter into an
18 agreement in substantially the form placed **Revised On File** with the
19 Legislative Services Division; now therefore,

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

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

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

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

28 (c) Enhancement of the City's tax base and revenues, are
29 matters of State and City policy and State and City concern in order
30 that the State and its counties and municipalities, including the
31 City, shall not continue to be endangered by unemployment,

1 underemployment, economic recession, poverty, crime and disease, and
2 consume an excessive proportion of the State and City revenues
3 because of the extra services required for police, fire, accident,
4 health care, elderly care, charity care, hospitalization, public
5 housing and housing assistance, and other forms of public
6 protection, services and facilities.

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

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

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

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

26 **Section 2. Economic Development Agreement Approved.**

27 There is hereby approved, and the Mayor and Corporation Secretary
28 are authorized to execute and deliver, for and on behalf of the
29 City, an agreement between the City and the Company, substantially
30 in the form placed **Revised On File** with the Legislative Services
31 Division (with such "technical" changes as herein authorized), for

1 the purpose of implementing the recommendations of the OED, as are
2 further described in the Project Summary attached hereto as **Exhibit**
3 **1.**

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

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

22 (a) The REV Grant shall not be deemed to constitute a debt,
23 liability, or obligation of the City or of the State of Florida or
24 any political subdivision thereof within the meaning of any
25 constitutional or statutory limitation, or a pledge of the faith and
26 credit or taxing power of the City or of the State of Florida or any
27 political subdivision thereof, but shall be payable solely from the
28 funds provided therefor as provided in this Section. The Agreement
29 shall contain a statement to the effect that the City shall not be
30 obligated to pay any installment of its financial assistance to the
31 Company except from the non-ad valorem revenues or other legally

1 available funds provided for that purpose, that neither the faith
2 and credit nor the taxing power of the City or of the State of
3 Florida or any political subdivision thereof is pledged to the
4 payment of any portion of such financial assistance, and that the
5 Company, or any person, firm or entity claiming by, through or under
6 the Company, or any other person whomsoever, shall never have any
7 right, directly or indirectly, to compel the exercise of the ad
8 valorem taxing power of the City or of the State of Florida or any
9 political subdivision thereof for the payment of any portion of such
10 financial assistance.

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

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

31 **Section 5. Further Authorizations.** The Mayor, or his

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

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

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

25 **Section 8. Waiver of Public Investment Policy.** The
26 following requirements of the Public Investment Policy adopted by
27 City Council Ordinance 2016-382-E, as amended, are hereby waived:
28 that in order for a project to receive a 50% REV grant for a 5-year
29 period, the Company must create 10 new jobs within the City. The
30 waiver is justified due to the fact that the proposed Project will
31 result in the retention of 250 jobs within the City, and encourage

1 capital investment in the approximate amount of \$30,000,000.

2 **Section 9. Requesting Two Reading Passage Pursuant to**
3 **Council Rule 3.305.** Two reading passage of this legislation is
4 requested pursuant to Council Rule 3.305.

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

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9 Form Approved:

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11 /s/ Paige H. Johnston

12 Office of General Counsel

13 Legislation Prepared By: John Sawyer

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