

1 Introduced by the Council President at the request of the Mayor:  
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4 **RESOLUTION 2020-727**

5 A RESOLUTION MAKING CERTAIN FINDINGS, AND  
6 APPROVING AND AUTHORIZING THE EXECUTION OF AN  
7 ECONOMIC DEVELOPMENT AGREEMENT ("AGREEMENT")  
8 BETWEEN THE CITY OF JACKSONVILLE ("CITY") AND  
9 MALNOVE HOLDING COMPANY, INC. ("COMPANY"), TO  
10 SUPPORT THE EXPANSION OF COMPANY'S OPERATIONS  
11 AT ITS EXISTING DISTRIBUTION FACILITY  
12 GENERALLY LOCATED AT 10500 CANADA DRIVE IN THE  
13 CITY ("PROJECT"); AUTHORIZING A FIVE-YEAR  
14 RECAPTURE ENHANCED VALUE (REV) GRANT OF  
15 \$160,000; APPROVING AND AUTHORIZING THE  
16 EXECUTION OF DOCUMENTS BY THE MAYOR, OR HIS  
17 DESIGNEE, AND CORPORATION SECRETARY;  
18 AUTHORIZING APPROVAL OF TECHNICAL AMENDMENTS  
19 BY THE EXECUTIVE DIRECTOR OF THE OFFICE OF  
20 ECONOMIC DEVELOPMENT ("OED"); PROVIDING FOR  
21 OVERSIGHT BY THE OED; PROVIDING A DEADLINE FOR  
22 THE COMPANY TO EXECUTE THE AGREEMENT; WAIVER  
23 OF THAT PORTION OF THE PUBLIC INVESTMENT  
24 POLICY ADOPTED BY ORDINANCE 2016-382-E WHICH  
25 WOULD REQUIRE THAT IN ORDER FOR A PROJECT TO  
26 RECEIVE A REV GRANT THE WAGES OF THE JOBS  
27 CREATED MUST BE GREATER THAN OR EQUAL TO THE  
28 STATE OF FLORIDA AVERAGE WAGE; REQUESTING TWO-  
29 READING PASSAGE PURSUANT TO COUNCIL RULE  
30 3.305; PROVIDING AN EFFECTIVE DATE.  
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1           **WHEREAS**, Malnove Holding Company, Inc. (the "Company") has  
2 committed to create 10 permanent full-time equivalent new jobs in  
3 Jacksonville with an average salary, exclusive of benefits, of  
4 approximately \$36,500 per annum by December 31, 2024, all as  
5 further described in the Project Summary attached hereto as **Exhibit**  
6 **1** and incorporated herein by this reference; and

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

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

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

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

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

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

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

30           (c) Enhancement of the City's tax base and revenues, are  
31 matters of State and City policy and State and City concern in

1 order that the State and its counties and municipalities, including  
2 the City, shall not continue to be endangered by unemployment,  
3 underemployment, economic recession, poverty, crime and disease,  
4 and consume an excessive proportion of the State and City revenues  
5 because of the extra services required for police, fire, accident,  
6 health care, elderly care, charity care, hospitalization, public  
7 housing and housing assistance, and other forms of public  
8 protection, services and facilities.

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

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

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

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

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

29 There is hereby approved, and the Mayor and Corporation Secretary  
30 are authorized to execute and deliver, for and on behalf of the  
31 City, an agreement between the City and the Company, substantially

1 in the form placed **On File** with the Office of Legislative Services  
2 (with such "technical" changes as herein authorized), for the  
3 purpose of implementing the recommendations of the OED, as are  
4 further described in the Project Summary attached hereto as **Exhibit**  
5 **1.**

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

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

24 (a) The REV Grant shall not be deemed to constitute a debt,  
25 liability, or obligation of the City or of the State of Florida or  
26 any political subdivision thereof within the meaning of any  
27 constitutional or statutory limitation, or a pledge of the faith  
28 and credit or taxing power of the City or of the State of Florida  
29 or any political subdivision thereof, but shall be payable solely  
30 from the funds provided therefor as provided in this Section. The  
31 Agreement shall contain a statement to the effect that the City

1 shall not be obligated to pay any installment of its financial  
2 assistance to the Company except from the non-ad valorem revenues  
3 or other legally available funds provided for that purpose, that  
4 neither the faith and credit nor the taxing power of the City or of  
5 the State of Florida or any political subdivision thereof is  
6 pledged to the payment of any portion of such financial assistance,  
7 and that the Company, or any person, firm or entity claiming by,  
8 through or under the Company, or any other person whomsoever, shall  
9 never have any right, directly or indirectly, to compel the  
10 exercise of the ad valorem taxing power of the City or of the State  
11 of Florida or any political subdivision thereof for the payment of  
12 any portion of such financial assistance.

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

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

1 City departments.

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

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

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

27       **Section 8. Waiver of Public Investment Policy.** The  
28 following requirements of the Public Investment Policy adopted by  
29 City Council Ordinance 2016-382-E, as amended, are hereby waived:  
30 that in order to provide a REV Grant for the Project, the wages of  
31 the jobs created thereby must be greater than or equal to 100% of

1 the State of Florida average wage. The waiver is justified due to  
2 the fact that the Project will cause private capital investment of  
3 approximately \$7,400,000 and create 10 new full-time jobs.

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

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

10  
11 Form Approved:

12  
13 /s/ John Sawyer

14 Office of General Counsel

15 Legislation Prepared By: John Sawyer

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