

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 2020-727-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 MALNOVE HOLDING COMPANY, INC. ("COMPANY"), TO
11 SUPPORT THE EXPANSION OF COMPANY'S OPERATIONS
12 AT ITS EXISTING DISTRIBUTION FACILITY
13 GENERALLY LOCATED AT 10500 CANADA DRIVE IN THE
14 CITY ("PROJECT"); AUTHORIZING A FIVE-YEAR
15 RECAPTURE ENHANCED VALUE (REV) GRANT OF
16 \$160,000; APPROVING AND AUTHORIZING THE
17 EXECUTION OF DOCUMENTS BY THE MAYOR, OR HIS
18 DESIGNEE, AND CORPORATION SECRETARY;
19 AUTHORIZING APPROVAL OF TECHNICAL AMENDMENTS
20 BY THE EXECUTIVE DIRECTOR OF THE OFFICE OF
21 ECONOMIC DEVELOPMENT ("OED"); PROVIDING FOR
22 OVERSIGHT BY THE OED; PROVIDING A DEADLINE FOR
23 THE COMPANY TO EXECUTE THE AGREEMENT; WAIVER
24 OF THAT PORTION OF THE PUBLIC INVESTMENT
25 POLICY ADOPTED BY ORDINANCE 2016-382-E WHICH
26 WOULD REQUIRE THAT IN ORDER FOR A PROJECT TO
27 RECEIVE A REV GRANT THE WAGES OF THE JOBS
28 CREATED MUST BE GREATER THAN OR EQUAL TO THE
29 STATE OF FLORIDA AVERAGE WAGE; REQUESTING TWO-
30 READING PASSAGE PURSUANT TO COUNCIL RULE
31 3.305; PROVIDING AN EFFECTIVE DATE.

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2 **WHEREAS**, Malnove Holding Company, Inc. (the "Company") has
3 committed to create 10 permanent full-time equivalent new jobs in
4 Jacksonville with an average salary, exclusive of benefits, of
5 approximately \$36,500 per annum by December 31, 2024, all as
6 further described in the Project Summary attached hereto as **Exhibit**
7 **1** and incorporated herein by this reference; and

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

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

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

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

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

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

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

31 (c) Enhancement of the City's tax base and revenues, are

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

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

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

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

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

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

30 There is hereby approved, and the Mayor and Corporation Secretary
31 are authorized to execute and deliver, for and on behalf of the

1 City, an agreement between the City and the Company, substantially
2 in the form placed **Revised On File** with the Office of Legislative
3 Services (with such "technical" changes as herein authorized), for
4 the purpose of implementing the recommendations of the OED, as are
5 further described in the Project Summary attached hereto as **Exhibit**
6 **1.**

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

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

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

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

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

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

1 under such Agreement working with and supported by all relevant
2 City departments.

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

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

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

28 **Section 8. Waiver of Public Investment Policy.** The
29 following requirements of the Public Investment Policy adopted by
30 City Council Ordinance 2016-382-E, as amended, are hereby waived:
31 that in order to provide a REV Grant for the Project, the wages of

1 the jobs created thereby must be greater than or equal to 100% of
2 the State of Florida average wage. The waiver is justified due to
3 the fact that the Project will cause private capital investment of
4 approximately \$7,400,000 and create 10 new full-time jobs.

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

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

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12 Form Approved:

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14 /s/ Paige H. Johnston

15 Office of General Counsel

16 Legislation Prepared By: John Sawyer

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