



ONE CITY. ONE JACKSONVILLE.

City of Jacksonville, Florida

Lenny Curry, Mayor

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Confidential Project Robalo Summary November 23, 2020

Background:

Robalo is a national distributor of medical devices, equipment, and pharmaceuticals. They are evaluating establishing a new distribution and fulfillment center in the Southeastern United States. Their location choices are either Jacksonville, Florida or Savannah, Georgia. If Jacksonville is selected, they proposed to lease 131,000 square feet of newly developed warehouse space within Northwest Jacksonville. Robalo proposes to create at least 25 new full-time jobs at an average annual wage of \$58,594 (\$28.17 per hour), plus benefits. The average annual wage exceeds the Florida average wage of \$49,472.

The private capital investment associated with the project is \$6,720,000.

Robalo has indicated that the City of Jacksonville's financial incentive proposed is a material factor in their decision to locate their distribution and fulfillment center in Jacksonville versus Savannah, Georgia.

No. of Jobs To Be Created	Capital Investment	Intangibles
25 new jobs @ an average wage of \$58,594 plus benefits no later than Dec. 31, 2022.	Estimated to be up to \$6,720,000 (\$2.4 million for leasehold improvements and \$4.3 million for equipment, furniture and fixtures, etc.).	Supports the location of a new targeted industry business in Northwest Jacksonville.

Project Rationale & Benefits:

1. Supporting Robalo will expand Jacksonville's distribution and fulfillment industry sector and provide 25 new full-time jobs for logistics, distribution, and warehousing professionals within Northwest Jacksonville.
2. The annual payroll resulting from the 25 new full-time jobs is \$1,465,000 (excluding benefits).
3. The project will result in a private capital investment of \$6.7 million within Northwest Jacksonville.

Project Incentives:

The City of Jacksonville proposes to provide:

- The company is seeking public investment through the City of Jacksonville Recaptured Enhanced Value (REV) Grant at the level of 50 percent of the net increase in real and tangible property taxes based upon

the net private capital investment of \$6.7 million for the first ten years after completion of the leasehold improvements and installation of the distribution machinery and equipment, furniture and fixtures necessary to operate the fulfillment center. The REV Grant requires a minimum \$3 million capital investment in the project site no later than December 31, 2022 and at least new 25 jobs paying an average annual wage of \$49,472 no later than December 31, 2023. The estimated value of the REV Grant is \$260,000 over the ten-year REV Grant period.

- The project will have a positive ROI for the City of Jacksonville.
- The proposed REV Grant incentive requested meets the criteria of the Public Investment Policy:
- Company is a Target Industry – Global Logistics and Distribution.
- Company will create a minimum of 25 new full-time logistics jobs;
- Company will invest at least \$6.7 million in private capital investment.
- The project complies with the City of Jacksonville Public Investment Policy.

The total amount of City incentives would be up to \$260,000.