

2015-0775

LEGISLATIVE FACT SHEET

DATE: October 19, 2015

BT OR RC NUMBER:

(Administration Bills)

SPONSOR (Department/Division/Agency/Council Member): Office of Economic Development (OED)

PURPOSE/SUMMARY:

The Economic Development Agreement (EDA) by and between Medtronic Xomed, Inc. and the City of Jacksonville was approved by Ordinance 2011-485-E. Medtronic Xomed, Inc. (Medtronic), a division of Medtronic, Inc. is a manufacturer of surgical instruments, diagnostic and imaging devices. The EDA contemplated the construction of a 75,000 square foot expansion to their Southpoint campus incorporating additional office space, laboratory space and customer training labs. The project is creating up to 175 new high wage jobs and a private capital investment totaling \$14.1 million. When the EDA was drafted the project parcel only incorporated one of the three land parcels owned by Medtronic Xomed. The purpose of the proposed amendment to the EDA is amend Section 1.1 to include one additional parcel owned by Medtronic comprising the project parcel and amend Section 5.3 increasing the base value of those properties for REV Grant purposes. The addresses and real property and tangible property numbers for the two parcels that comprise the amended project parcel for purposes of the EDA include 6743 N. Southpoint Drive (152854-0700), TPP tax ID number 819701-0000, and 6703 N. Southpoint Drive (152850-0150). The base value in Section 5.3 for REV Grant purposes shall be increased from \$15,207,796 to \$15,930,972.

The 50 % REV Grant approved totaled up to \$415,000 payable over a 7 year period along with a QTI match of up to \$245,000 for the creation of 175 new high wage jobs to support the expansion. The financial incentives approved were a critical component of Medtronic expanding in Jacksonville versus a similar facility they owned in Fort Worth, Texas. Presently Jacksonville serves as the worldwide corporate headquarters for the Surgical Technologies Division of Medtronic, Inc.

APPROPRIATION : Total Amount Appropriated: \$ 0 as follows:

(Name of Fund as it will appear in title of legislation) _____

Name of Federal Funding Source: _____ Amount: \$ _____

Name of State Funding Source: _____ Amount: \$ _____

Name of City of Jax Funding Source: _____ Amount: \$ _____

Name of In-Kind Contribution Source: _____ Amount: \$ _____

Name of Bond Acct Number _____ Amount: \$ _____

IMPACT - FINANCIAL/OTHER:

ACTION ITEMS:

Emergency? Yes ___ No X Justification: _____

Federal or State Mandates Yes ___ No X

Fiscal Year Carryover? Yes ___ No X

CIP Amendment? Yes ___ No X (Attach CIP form)

Contract/Agreement (C/A) Approval Yes X No (Attach a copy only)
 C/A negotiations on-going? Yes No X
 Oversight Department Required? Yes No X Name of Dept. _____
 Related RC?/BT? Yes No X (Attach a copy)
 Waiver of Code? Yes No X (Identify Code Provision _____)
 Code Exception? Yes No X (Identify Code Provision _____)
 Continuation Grant? Yes No X
 Surplus Property Certification? Yes No X (Attach a copy)
 Related Enacted Ordinances? Yes No X Ord. # of Previous Ord. _____
 Report Required to City Council/Council Auditors
 Yes No X Date _____ Frequency _____

ADMINISTRATION TRANSMITTAL

To: MBRC, c/o Roselyn Chall, Budget Division, Suite 325

CC: Sam Mousa, MBRC Chairman
 Mayor's Office, Fourth Floor, City Hall at St. James

From: Kirk Wendland, Executive Director, OED
 (Name, Job Title, Department)

Phone: 630-2455 Fax: 630-1019 E-mail: kwendland@coj.net

Contact person: Joe Whitaker, Project Manager, OED
 (Name, Job Title, Department)

Phone: 630-1624 Fax: 630-1019 E-mail: josephw@coj.net

COUNCIL MEMBER / INDEPENDENT AGENCY / CONSTITUTIONAL OFFICER TRANSMITTAL

To: Peggy Sidman (630-4647), Office of General Counsel
 Suite 480, City Hall at St. James

From: _____
 (Name, Job Title, Department)

Phone: _____ Fax: _____ E-mail: _____

Contact person: _____
 (Name, Job Title, Department)

Phone: _____ Fax: _____ E-mail: _____

Legislation from Independent Agencies requires a resolution from the Independent Agency Board approving the legislation.

FACT SHEET IS REQUIRED BEFORE LEGISLATION IS INTRODUCED