

# LEGISLATIVE FACT SHEET

DATE: 01/03/17

BT or RC No: BT17-045  
(Administration & City Council Bills)

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

Contact for all inquiries and presentations: Office of Economic Development

Provide Name: Paul Crawford, Deputy Executive Director

Contact Number: 630-7063

Email Address: [paulc@coj.net](mailto:paulc@coj.net)

PURPOSE: White Paper (Explain Why this legislation is necessary? Provide; Who, What, When, Where, How and the Impact.) Council Research will complete this form for Council introduced legislation and the Administration is responsible for all other legislation. (Minimum of 350 words - Maximum of 1 page.)

**2385 Corbett Street, LLC was formed in May 2015 doing business as Mixon Studios. The business was created for the purpose of developing a multi-purpose facility to serve the needs of the Mixon Town and McCoy's Creek neighborhood areas. The project site comprises 1.63 acres and includes 4 buildings totaling 17,600 square feet of usable space. Upon completion of the renovations the project site will provide an affordable venue for receptions, weddings, parties, meetings, workshops, lectures, performances and artist studios. The developer assembled three privately owned parcels to create the project site and purchased a city owned parcel along McCoy's Creek. The largest parcel acquired was the former Excel Chemical manufacturing facility . When purchased the site was vacant, the buildings were in various stages of disrepair and the soil environmentally contaminated. The project site is bounded by Corbett Street, Patterson Drive, Marie Street and McCoy's Creek in the Mixon Town neighborhood. The Developer acquired the site for \$212,000; spent \$52,000 to remediate the site, additional site clean up cost totaled \$175,000. The cost to acquire the land and clean-up the site totaled \$439,000. Additional improvements necessary to build out the project total \$118,173. Total project cost is \$557,173. The LLC has requested financial support from the Northwest Jacksonville Economic Development Fund. The amount considered and approved by the Northwest Jacksonville Economic Development Fund Advisory Board was \$34,000 to provide HVAC improvements to the event buildings. The assistance recommended is in the form of a grant totaling \$34,000. The LLC shall have six (6) months from the date of the execution of the grant agreement to complete the HVAC improvements. Estimated completion date is August 31, 2017. The project supports the following public purpose objectives: creates a new service business to serve the target neighborhood; and leverages private capital investment and returns vacant and underutilized buildings back into productive use in this Level 2, Economically Distressed Area; and redevelops a formerly contaminated site within the environmentally challenged McCoys Creek and Mixon Town neighborhood; and supports the creation of 6 new full-time jobs for area residents; and increases the ad valorem taxes resulting from the private capital investment within Northwest Jacksonville.**

APPROPRIATION: Total Amount Appropriated \$34,000 as follows:  
List the source name and provide Object and Subobject Numbers for each category listed below:

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

Name of Federal Funding Source(s)	From:	Amount:

Name of Federal Funding Source(s):	To: _____	Amount: _____
Name of State Funding Source(s):	From: _____	Amount: _____
	To: _____	Amount: _____
Name of City of Jacksonville Funding Source(s):	From: insert account name and number _____	Amount: \$34,000
	To: insert account name and number _____	Amount: \$34,000
Name of In-Kind Contribution(s):	From: _____	Amount: _____
	To: _____	Amount: _____
Name & Number of Bond Account(s):	From: _____	Amount: _____
	To: _____	Amount: _____

**PLAIN LANGUAGE OF APPROPRIATION / FINANCIAL IMPACT / OTHER:**

Explain: Where are the funds coming from, going to, how will the funds be used? Does the funding require a match? Is the funding for a specific time frame? Will there be an ongoing maintenance? ... and staffing obligation? Per Chapters 122 & 106 regarding funding of anticipated post-construction operation costs.

(Minimum of 350 words - Maximum of 1 page.)

**The proceeds to fund the proposed grant is coming from the Northwest Economic Development Fund. Project site was acquired at a cost of \$212,000. Upon completion of the renovations proposed the project investment will total \$557,173. Ad valorem taxes projected for the next ten (10) years totals \$31,970. The financial assistance recommended is a Northwest Economic Development Fund grant not to exceed \$34,000. The proceeds of the grant will be utilized to complete the HVAC improvements needed to complete the event center. The return on investment incorporating the value of the jobs created and the increase in the ad valorem taxes for the next ten (10) years results in an ROI of 1.11. The grant will be funded after the HVAC improvements are completed and the Developer documents the costs and evidences that all property taxes on the project site are paid. As security for the grant the City shall record a lien on the property in the amount of the grant to be amortized over the first five years after the proposed improvements are completed. Additionally there shall be a corporate guarantee of the lien by 2385 Corbett Street, LLC and joint and several personal guarantees of the principal owners of the LLC. In the event of sale or transfer of ownership of either the project site or the ownership entity within the first five years after the NW Funds are disbursed the proposed NW Grant would be amortized at the rate of 20% per year. In the event the project is sold the unamortized portion of the grant shall be repaid to the City. The City reserves the right to approve any proposed sale in advance. Throughout the life of the grant the recipient will be required to provide to the City of Jacksonville an annual financial statement of assets, liabilities and member's equity-income tax basis of 2385 Corbett Street, LLC and the related statements of income and expenses-income tax basis, member's equity - income tax basis and cash flow - or income tax returns on the LLC throughout the five year amortization period of the grant. The financial statement in a review format or income tax return shall be prepared by an independent third party accounting firm accredited and licensed to do business in the State of Florida. A copy of the annual reviewed financial statement or LLC tax return shall be furnished to the City of Jacksonville no later than 90 days after the end of the applicant's fiscal or calendar year. The developer shall provide evidence that all annual real and tangible property taxes and user fees have been paid throughout the amortization period of the grant.**

**ACTION ITEMS:** Purpose / Check List. If "Yes" please provide detail by attaching justification, and code provisions for each.

**ACTION ITEMS:**

	Yes	No	
Emergency?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Justification of Emergency: If yes, explanation must include detailed nature of emergency.  
Federal or State Mandate?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Explanation: If yes, explanation must include detailed nature of mandate including Statute or Provision.  
Fiscal Year Carryover?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Note: If yes, note must include explanation of all-year subfund carryover language.  
CIP Amendment?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Attachment: If yes, attach appropriate CIP form(s). Include justification for mid-year amendment.
Contract / Agreement Approval?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Attachment & Explanation: If yes, attach the Contract / Agreement and name of Department (and contact name) that will provide oversight. Indicate if negotiations are on-going and with whom. Has OGC reviewed / drafted?  Office of Economic Development to provide oversight and administration.
Related RC/BT?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Attachment: If yes, attach appropriate RC/BT form(s). BT17-045.
Waiver of Code?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Code Reference: If yes, identify code section(s) in box below and provide detailed explanation (including impacts) within white paper.  Waiver of Professional Third-Party Underwriting Requirement NW Guidelines.
Code Exception?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Code Reference: If yes, identify code in box below and provide detailed explanation (including impacts) within white paper.  
Related Enacted Ordinances?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Code Reference: If yes, identify related code section(s) and ordinance reference number in the box below and provide detailed explanation and any changes necessary within white paper.  

**ACTION ITEMS CONTINUED:** Purpose / Check List. If "Yes" please provide detail by attaching justification, and code provisions for each.

**ACTION ITEMS:**

	Yes	No
Continuation of Grant?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Explanation: How will the funds be used? Does the funding require a match? Is the funding for a specific time frame and/or multi-year? If multi-year, note year of grant? Are there long-term implications for the General Fund?

Surplus Property Certification?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Reporting Requirements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Attachment: If yes, attach appropriate form(s).

Explanation: List agencies (including City Council / Auditor) to receive reports and frequency of reports, including when reports are due. Provide Department (include contact name and telephone number) responsible for generating

Division Chief: /s/ Ed Randolph  
(signature)

Date: 11/15/16

Prepared By: /s/ Ed Randolph  
(signature)

Date: 11/15/16

**ADMINISTRATIVE TRANSMITTAL**

To: MBRC, c/o Roselyn Chall, Budget Office, St. James Suite 325

Thru: Sam Mousa, Chief Administrative Officer, Mayors Office, Fourth Floor, City Hall at St. James  
(Name, Job Title, Department)  
Phone: \_\_\_\_\_ E-mail: \_\_\_\_\_

From: Kirk Wendland, Executive Director, Office of Economic Development (OED)  
Initiating Department Representative (Name, Job Title, Department)  
Phone: 630-2455 E-mail: [kwendland@coj.net](mailto:kwendland@coj.net)

Primary Contact: Paul Crawford, Deputy Executive, Office of Economic Development (OED)  
(Name, Job Title, Department)  
Phone: 630-7063 E-mail: [paulc@coj.net](mailto:paulc@coj.net)

CC: Allison Korman Shelton, Director of Intergovernmental Affairs, Office of the Mayor  
904-630-1825 E-mail: [akshelton@coj.net](mailto:akshelton@coj.net)

**COUNCIL MEMBER / INDEPENDENT AGENCY / CONSTITUTIONAL OFFICER TRANSMITTAL**

To: Peggy Sidman, Office of General Counsel, St. James Suite 480  
Phone: 904-630-4647 E-mail: [psidman@coj.net](mailto:psidman@coj.net)

From: \_\_\_\_\_  
Initiating Council Member / Independent Agency / Constitutional Officer  
Phone: \_\_\_\_\_ E-mail: \_\_\_\_\_

Primary Contact: \_\_\_\_\_  
(Name, Job Title, Department)  
Phone: \_\_\_\_\_ E-mail: \_\_\_\_\_

CC: Allison Korman Shelton, Director of Intergovernmental Affairs, Office of the Mayor  
904-630-1825 E-mail: [akshelton@coj.net](mailto:akshelton@coj.net)

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

Independent Agency Action Item:    **Yes**    **No**  
Boards Action / Resolution?       

Attachment: If yes, attach appropriate documentation. If no, when is board action scheduled?

**FACT SHEET IS REQUIRED BEFORE LEGISLATION IS INTRODUCED**

# City of Jacksonville, Florida Request for Budget Transfer Form

Department or Area Responsible for Contract / Compliance / Oversight \_\_\_\_\_

Council District(s) \_\_\_\_\_

Reversion of Funds: \_\_\_\_\_  
(if applicable) Subfund / Indexcode / Subobject / Project Prj-Dtl / Grant Grt-Dtl

Fiscal Yr(s) of carry over (all-years funds do not require a carryover) \_\_\_\_\_

Section of Code Being Waived (if applicable): \_\_\_\_\_

CIP (yes or no): \_\_\_\_\_

**Justification for Waiver**

**Justification for / Description of Transfer:**

Total Amount Appropriated: \_\_\_\_\_

## CITY COUNCIL

Requesting Council Member: \_\_\_\_\_

CM's District: \_\_\_\_\_

Requesting Council Member: \_\_\_\_\_

CM's District: \_\_\_\_\_

Prepared By: \_\_\_\_\_

Ordinance: \_\_\_\_\_

## OFFICE OF THE MAYOR

BUDGET ORDINANCE     TRANSFER DIRECTIVE

TD / BT Number: \_\_\_\_\_

	Date Rec'd.	Date Fwd.	Approved	Disapproved
Department Head				
Mayor's Office				
Accounting Division				
Budget Division				

Date of Action By Mayor: \_\_\_\_\_

Approved: \_\_\_\_\_

Division Chief: \_\_\_\_\_

Date Initiated: \_\_\_\_\_

Prepared By: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Initiated / Requested By (if other than Department): \_\_\_\_\_

