

## LEGISLATIVE FACT SHEET

DATE: 01/31/17

BT or RC No: \_\_\_\_\_  
(Administration & City Council Bills)

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

Contact for all inquiries and presentation: Office of Economic Development

Provide Name: Kirk Wendland, Director of Economic Development (OED)

Contact Number: 630-2455

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

**The Jacksonville Gerdau Ameristeel steel mill was constructed in 1975. Gerdau manufactures bar steel, steel rebar and coiled rod used in the construction industry. The company also owns a scrap steel recycling facility located on the project site which is leased to Trademark Metals Recycling, LLC (TMR). The two companies combined employ up to 295 persons. Gerdau employs 269 and TMR employs 26 full time persons. Gerdau is the largest purchaser of recycled steel in the State of Florida and the TMR recycling facility supports their steel manufacturing operation. In 2005 Gerdau embarked on a significant modernization of their steel plant and invested \$80 million in building construction and purchase of new machinery and equipment. Ordinance 2005-200-E was enacted to support the modernization and expansion of the steel plant providing a REV Grant for ten (10) years not to exceed \$ 3 million to offset a portion of the increase in real and tangible property taxes associated with the project. The Economic Development Agreement (EDA) was amended in 2009 extending the completion date of the project to June 30, 2010. The purpose of this Second Amendment to the EDA is to recognize the third party tenant, Trademark Metals Recycling, LLC for purposes of this Agreement and counting the 26 former Gerdau full-time employees supporting the steel mill toward the 285 job retention requirement in the EDA.**

APPROPRIATION: Total Amount Appropriated \_\_\_\_\_ 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: _____
	To: _____	Amount: _____

Name of State Funding Source(s)	From: _____	Amount: _____
	To: _____	Amount: _____

Name of City of Jacksonville Funding Source(s)	From: _____	Amount: _____
	To: _____	Amount: _____

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 purpose of the Second Amendment to the Economic Development Agreement is to recognize that the company has leased to a third party tenant (Trademarks Metals Recycling, LLC, "TMR") the right to use certain equipment located on the Project Parcel, and in connection therewith certain Gerdau employees became employees of TMR at the Project Parcel. The Second Amendment authorizes OED to count the 26 jobs of TMR at the Project Parcel toward the job retention requirement for purposes of the REV 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"/>	<p><b>Justification of Emergency:</b> If yes, explanation must include detailed nature of emergency.</p> <div style="border: 1px solid black; height: 60px;"></div>
Federal or State Mandate?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p><b>Explanation:</b> If yes, explanation must include detailed nature of mandate including Statute or Provision.</p> <div style="border: 1px solid black; height: 60px;"></div>
Fiscal Year Carryover?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p><b>Note:</b> If yes, note must include explanation of all-year subfund carryover language.</p> <div style="border: 1px solid black; height: 60px;"></div>
CIP Amendment?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p><b>Attachment:</b> If yes, attach appropriate CIP form(s). Include justification for mid-year amendment.</p>
Contract / Agreement Approval?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p><b>Attachment &amp; Explanation:</b> 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?</p> <div style="border: 1px solid black; padding: 5px;"> <p>Office of Economic Development to provide oversight and administration of EDA for the remaining portion of the term. The contract has been reviewed/drafted by OGC, John Sawyer</p> </div>
Related RC/BT?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p><b>Attachment:</b> If yes, attach appropriate RC/BT form(s).</p>
Waiver of Code?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p><b>Code Reference:</b> If yes, identify code section(s) in box below and provide detailed explanation (including impacts) within white paper.</p> <div style="border: 1px solid black; height: 30px;"></div>
Code Exception?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p><b>Code Reference:</b> If yes, identify code in box below and provide detailed explanation (including impacts) within white paper.</p> <div style="border: 1px solid black; height: 30px;"></div>
Related Enacted Ordinances?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p><b>Code Reference:</b> 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.</p> <div style="border: 1px solid black; padding: 5px;"> <p>2005-200-E</p> </div>

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

Division Chief:   
(signature)

Date: 1/31/2017

Prepared By:   
(signature)

Date: 1/31/2017

**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

Primary Contact: Kirk Wendland, Director, Office of Economic Development  
(Name, Job Title, Department)  
Phone: 630-2455 E-mail: kwendland@coj.net

CC: Allison Korman Shelton, Director of Intergovernmental Affairs, Office of the Mayor  
904-630-1825 E-mail: 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

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

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**