

## LEGISLATIVE FACT SHEET

DATE: 03/27/17

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: Ed Randolph, Director of Business Development Operations

Contact Number: 630-1185

Email Address: edr@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.)

Project Velocity is evaluating an expansion of its existing manufacturing facility located within a Level 1 Distress Area in North Jacksonville. Velocity is a global manufacturer of building products. The company is evaluating investing in a new manufacturing line adding 20 new target industry jobs in Jacksonville versus two other U.S. cities, where they have existing facilities. Velocity is proposing to retain approximately 150 jobs and add 20 new jobs no later than 2022. The average wage of the proposed new jobs is \$40,000 per year, plus benefits. The private capital investment to support the expansion totals approximately \$54 million. Real property improvements costing \$ 4 million and \$50 million in purchases of high-tech manufacturing equipment, comprise the capital investment. Velocity is a target industry business (Advanced Manufacturing). The manufacturing jobs proposed to be created are machine operators and assembly line workers and will pay an average wage of \$40,000, plus benefits. The average wage is greater than 60% of the county wide average. The company has stated that the City of Jacksonville incentive being proposed is a material factor in its decision to expand its operation in Jacksonville, Florida versus two other U.S. cities where they operate existing facilities.

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.)

Velocity is seeking public investment through the Recaptured Enhanced Value (REV) Grant program. For target industry projects located within Level 1 economically distressed areas the REV Grant may go up to 60%. The REV Grant proposed for Velocity is 60% of the incremental increase in ad valorem taxes for seven (7) years after the private capital investment has been reflected on the tax roll. Based upon the current tax rate for a \$54 million private capital investment comprising \$4 million in real property improvements and the purchase of \$50 million in manufacturing equipment, the proposed REV Grant incentive is up to \$2,211,000.

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

**ACTION ITEMS:**

Emergency?      Yes      No  
     

Justification of Emergency: If yes, explanation must include detailed nature of emergency.

Federal or State Mandate?      Yes      No  
     

Explanation: If yes, explanation must include detailed nature of mandate including Statute or Provision.

Fiscal Year Carryover?

Note: If yes, note must include explanation of all-year subfund carryover language.

CIP Amendment?    
 Contract / Agreement Approval?

Attachment: If yes, attach appropriate CIP form(s). Include justification for mid-year amendment.  
 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?    
 Waiver of Code?

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

Code Reference: If yes, identify code section(s) in box below and provide detailed explanation (including impacts) within white paper.

Code Exception?

Code Reference: If yes, identify code in box below and provide detailed explanation (including impacts) within white paper.

Related Enacted Ordinances?

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:**

Continuation of Grant?  Yes  No

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?

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

Reporting Requirements?


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: 3/20/2017

Prepared By: /s/ Ed Randolph

  
(signature)

Date: 3/20/2017

**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: Ed Randolph, Director of Business Development Operations, Office of Economic Development  
(Name, Job Title, Department)  
Phone: 630-1185 E-mail: edr@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:

Boards Action / Resolution?    Yes    No  
                                   

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

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