

LEGISLATIVE FACT SHEET

DATE: 04/24/17

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

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

Contact for all inquiries and presentation: Kirk Wendland/Karen Nasrallah

Provide Name: _____

Contact Number: 630-2272

Email Address: karenn@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.)

PURPOSE/ SUMMARY:
Adeeb Food Services responded to the City's Request for Proposals (RFP) for the disposition of the parcel of City-owned property located in the historic Springfield neighborhood of Jacksonville, located at 1850 North Main Street. The RFP specifically sought interested developers who would purchase and develop the parcel. The property consists of approximately 15,049 square feet of land with a 7,756 square foot former restaurant building, patio area, loading area, and parking area. The property is zoned CCG-S, which allows for a variety of commercial uses including restaurants, retail outlets, shopping centers, business/professional services offices, and other service oriented uses. The property was formerly operated as a restaurant, automotive repair, gas station and Firestone Tire store. They have proposed a purchase price of \$1,000 and will be paying all back taxes at the time of closing estimated at approximately \$90,000. They will pay all closing costs and fees and estimate construction costs at \$301,600. They are also prepared to pay up to \$100,000 for environmental unknowns. According to the project proposal, Adeeb Food Services Inc. stated that "given the buildings condition, back taxes due, and environmental issues, the property has only a nominal value." When the project comes to fruition, the developer estimates that the value of the completed building and open space will be approximately \$500,000. If so, the property taxes generated using the 2016 tax millage rate of 18.5644 is estimated at \$9,282.00 in the first year. Additionally, the developer projects approximately \$125,000 in sales per month for the restaurant translating into approximately \$100,000 per year in sales tax revenue. The brew pub is estimated at \$50,000 per month in sales translating into annual sales tax revenue of approximately \$40,000.
Since the RFP issuance, staff has worked with partner agencies and departments to develop a strategy to address the environmental on the site. This helped to ensure the financial institution comfort in the project. Once the legislation is approved, work will commence and should be completed in three to six months.
Phase I and Phase II Environmental Site Assessments were performed on the property. The Phase II findings concluded that petroleum concentrations and impacts have been identified in the groundwater onsite and remediation is required. The City submitted an application for eligibility under the Abandoned Tank Restoration Program (ATRP) to the Florida Department of Environmental Protection (DEP). They determined that the contamination related to the storage of petroleum products as defined in Florida Statute 376.301(33), for properly closed or removed petroleum storage systems is eligible for state funded remediation assistance. Further, the DEP issued clarification that the requested additional assessment activities are "suspended" and will be handled under the ATRP and that the ATRP will cover the tank pit, dispensers and associated piping contamination.
Supporting this project will redevelop a vacant building and property in the historic Springfield neighborhood. It will eliminate blight conditions in the area, remediate adverse environmental conditions and provide a service to the residents in the community. Residents of the Springfield area will have an opportunity to apply for these jobs. Adeeb Properties, LLC will make a significant capital investment of \$600,000, adding to the City's commercial tax base generating new property and sale taxes.

APPROPRIATION: Total Amount Appropriated N/A 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:

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

There is no appropriation required for this project.

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

Fiscal Year Carryover?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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Note: If yes, note must include explanation of all-year subfund carryover language.

CIP Amendment?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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Attachment: If yes, attach appropriate CIP form(s). Include justification for mid-year amendment.

Contract / Agreement Approval?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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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. OGC has finalized.

Related RC/BT?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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Attachment: If yes, attach appropriate RC/BT form(s).

Waiver of Code?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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Code Reference: If yes, identify code section(s) in box below and provide detailed explanation (including impacts) within white paper.

Request to waive Section 122.422. The property was taken through foreclosure and assigned to the OED for redevelopment. The Real Estate officer has not made an investigation of need.

Code Exception?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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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"/>
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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?

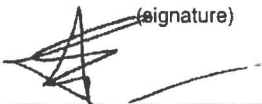
Surplus Property Certification?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Reporting Requirements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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: 
(signature)

Date: 5/3/17

Prepared By: 
(signature)

Date: 5/3/17

ADMINISTRATIVE TRANSMITTAL

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

Thru: N/A

(Name, Job Title, Department)

Phone: _____

E-mail: _____

From: Kirk Wendland, Executive Director, OED

Initiating Department Representative (Name, Job Title, Department)

Phone: 630-2455

E-mail: kwendland@coj.net

Primary Contact: Karen Nasrallah, Redevelopment Manager, OED

(Name, Job Title, Department)

Phone: 630-2272

E-mail: karenn@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