

LEGISLATIVE FACT SHEET

DATE: 10/02/18

BT or RC No: _____
(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: 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 Empire is a national distributor of an assortment of household goods. The company is evaluating locating a substantial warehouse/distribution facility in Jacksonville. The proposed distribution facility will service their customer base located within the southeastern United States. The private capital investment associated with the project is \$72 million. Project Empire is evaluating sites in several other states including Georgia and South Carolina. If Jacksonville is selected, they propose to create up to 250 new full-time jobs no later than December 31, 2021. The average annual wage is \$33,000 plus benefits.

One of the sites it is assessing is an approximately 80 acre parcel at Alliance Florida at Cecil Commerce Center. The Company is planning to make a final decision on whether or not the Cecil Commerce Center site will be selected as a future location for one of its distribution centers, later this year. Project Empire has stated that the City of Jacksonville's financial incentive proposed is a material factor in their decision to develop the logistics, warehouse and distribution center in Jacksonville. Per the 2010 Master Disposition and Development Agreement (MDDA), between the City and Hillwood, Hillwood has a right to prepare a site at Alliance Florida at Cecil Commerce Center, for future development, before purchasing that site from the City. The MDDA includes a per acre land purchase pricing formula, which is based on the amount of land preparation and infrastructure needed to make a site ready for development. The site is currently wooded and will require a large amount of infrastructure and fill material, and a city right-of-way closure, to accommodate the proposed facility. If project Empire moves forward, Hillwood will purchase the proposed development site from the City for \$9,517 per acre, for an estimated amount of \$757,569.

APPROPRIATION: Total Amount Appropriated \$0 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 company is seeking public investment through the City of Jacksonville Recaptured Enhanced Value (REV) Grant at the level of 50 percent of the net increase in real and tangible property taxes based upon the net private capital investment of \$72 million for the first ten years after completion of the 1 million sq. ft. warehouse and distribution facility. The estimated value of the REV Grant is \$3,300,000 over the ten year REV Grant period.
- The project will have a positive ROI for the City of Jacksonville of 2.25.

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.

	Yes	No
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.

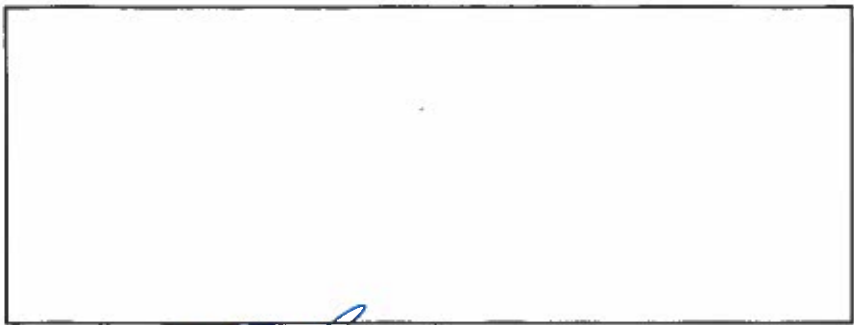
	Yes	No
Fiscal Year Carryover?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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 type="checkbox"/>	<input checked="" type="checkbox"/>	Attachment: If yes, attach appropriate RC/BT form(s).
Waiver of Code?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Code Reference: If yes, identify code section(s) in box below and provide detailed explanation (including impacts) within white paper.
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"/>	Attachment: If yes, attach appropriate form(s).
Reporting Requirements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	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: 10/2/2018

Prepared By: /s/ Ed Randolph

(signature)

Date: 10/2/2018

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: Jordan Elsbury, Director of Intergovernmental Affairs, Office of the Mayor
E-mail: jelsbury@coj.net

COUNCIL MEMBER / INDEPENDENT AGENCY / CONSTITUTIONAL OFFICER TRANSMITTAL

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

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

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

CC: Jordan Elsbury, Director jelsbury@coj.net
904-630-1825 E-mail: _____

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

Independent Agency Action Item: Yes No Attach
Boards Action / Resolution? ment:
If yes, attach appropriate documentation.

FACT SHEET IS REQUIRED BEFORE LEGISLATION IS INTRODUCED