

LEGISLATIVE FACT SHEET

DATE: 08/09/17

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: Kirk Wendland, Director of Economic Development (OED)

Contact Number: 630-2455

Email Address: 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.)

Belit, Inc. is the holding company for Jax Apex Technology, Inc. and True Design Studios, Inc. Jax Apex was founded in Jacksonville, FL. The Company provides structural engineering services for the light frame construction industry serving customers in fourteen states throughout the US and Caribbean. Jax Apex proposed to construct a 15,000 square foot facility to serve as the Company's corporate headquarters by December 31, 2015. Resolution 2014-550-A was adopted to support the Project, providing the 20% local match not to exceed \$36,000 for the State QTI grant program. The Project includes the creation of 60 New Jobs with an average annual salary of \$56,750 by December 31, 2019. A QTI grant up to \$180,000 was approved by the State, which includes the \$36,000 local match.

To-date the Company is in compliance with the job requirements of the EDA, however, due to changing market conditions, the Company has been purchasing office space to accommodate its growth. The Company has requested an amendment to the EDA to allow for the purchase or construction of space. This First Amendment to the EDA will authorize the Company to construct or purchase 15,000 square feet of office space so that the Company may remain eligible for the QTI refunds under the EDA and the State QTI Agreement. The revised performance schedule would require office space to be owned, purchased or constructed at a specified cumulative number of square feet per calendar year, which would be verified prior to issuing payment for the QTI match. Real property under a duly executed and binding purchase and sale agreement may be counted in the cumulative total, provided that the City receives a copy of the fully executed purchase and sale agreement and the closing occurs within 90 days of the applicable performance schedule deadline.

In the event the Company is given credit for real property subject to a purchase and sale agreement under the revised performance schedule and does not close on the property and take title within 90 days of the applicable deadline, then the Company shall refund to City \$600 for each job for which it was paid by City in connection with the applicable deadline.

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.)

This First Amendment to the EDA will authorize the Company to construct or purchase 15,000 square feet of office space so that the Company may remain eligible for the QTI refunds under the EDA and the State QTI Agreement. Maximum indebtedness to the City is \$36,000, as approved per Resolution 2014-550-A. The revised performance schedule would require office space to be owned, purchased, or constructed at a specified cumulative number of square feet per calendar year, which would be verified prior to issuing payment for the QTI local match.

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?

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?

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

Contract / Agreement Approval?

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 of EDA for the remaining portion of the term. The contract has been reviewed/drafted by OGC, John Sawyer

Related RC/BT?

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

Waiver of Code?

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.

2014-550-A

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?

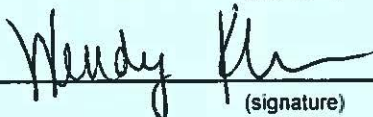
Attachment: If yes, attach appropriate form(s).

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: 
(signature)

Date: 8/9/2017

Prepared By: 
(signature)

Date: 8/9/2017

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



ONE CITY. ONE JACKSONVILLE

14

City of Jacksonville, Florida

Lenny Curry, Mayor

City Hall at St. James
117 W. Duval St.
Jacksonville, FL 32202
(904) 630-CITY
www.coj.net

**APPROVED BY:
MAYOR'S BUDGET
REVIEW COMMITTEE**

MEMORANDUM

DATE AUG 21 2017

TO: Sam Mousa, Chief Administrative Officer

FROM: Kirk Wendland, Executive Director
Office of Economic Development *Kirk Wendland*

SUBJECT: MBRC Agenda / Jax Apex Amendment

DATE: August 9, 2017

Attached is the proposed First Amendment to the Economic Development Agreement (EDA) dated August 22, 2014 by and between the City of Jacksonville and Belit, Inc. and its two affiliates, Jax Apex Technology, Inc. and True Design Studios, LLC. Jax Apex was founded in Jacksonville, FL. The Company provides structural engineering services for the light frame construction industry serving customers in fourteen states throughout the US and Caribbean. Under the current EDA, Jax Apex proposed to construct a 15,000 square foot facility to serve as the Company's corporate headquarters by December 31, 2015. Resolution 2014-550-A was adopted to support the Project, providing the 20% local match not to exceed \$36,000 for the State QTI grant program. The Project includes the creation of 60 New Jobs with an average annual salary of \$56,750 by December 31, 2019. A QTI grant up to \$180,000 was approved by the State, which includes the \$36,000 local match.

To-date the Company is in compliance with the job requirements of the EDA, however, due to changing market conditions, the Company has been purchasing office space to accommodate its growth. The Company has requested an amendment to the EDA to allow for the purchase or construction of space. This First Amendment to the EDA will authorize the Company to construct or purchase 15,000 square feet of office space so that the Company may remain eligible for the QTI refunds under the EDA and the State QTI Agreement. The revised performance schedule would require office space to be owned, purchased, or constructed at a specified cumulative number of square feet per calendar year, which would be verified prior to issuing payment for the QTI local match.

The Office of Economic Development (OED) respectfully requests authorization to introduce legislation to City Council for their consideration and authorize the Mayor to execute an amendment to the EDA.

MBRC's consideration of this request at their August 21, 2017 meeting is respectfully requested.

Should you have any questions or concerns, please do not hesitate to contact me at your convenience.