

LEGISLATIVE FACT SHEET

DATE: 05/30/19

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, Executive Director

Contact Number: 255-5455

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.)

Fanatics, which is headquartered in Jacksonville, FL, is the global retail leader of officially licensed sports merchandise. Fanatics operates more than 300 online and offline stores, including the e-commerce business for all major professional sports leagues (NFL, MLB, NBA, NHL, MLS, NASCAR and PGA) and more than 200 collegiate and professional team properties.

Fanatics proposed to renovate and expand two existing facilities to serve as the Company's headquarters in Jacksonville. The Project was to include the renovation and installation of IT equipment, data center, furniture, fixtures, and other items. The total Capital Investment over a five-year period was estimated at \$10,000,000. The Company was also required to retain 400 Permanent Jobs and create 80 jobs with an average annual salary of \$85,808 by December 31, 2019. Resolution 2015-0267-A authorized the following incentives: (1) QTI 20% local financial support of up to \$600 per job, not to exceed a total of \$48,000; and (2) 50% REV Grant of up to \$300,000, payable over 7 years.

The Company opted out of the State's QTI Program and no LFS payments have been made to-date. While the company has met the capital investment requirements and new job requirements to-date, in part they did so at a location not listed in the Agreement. The Agreement defined the Project Site as 8100 Nations Way and 6800 Southpoint Parkway, Suites 300, 400, 500, and 950, while the Company amended their plans and expanded at 8100 Nations Way and 7215 Financial Way. To-date, no REV Grant payments have been made. For the period ending December 31, 2018, the Company reported 437 new jobs and \$9,818,754 in private capital investment.

The amendment would eliminate the LFS for the QTI Program and any related references. The requested amendment would modify the definition of the Project Site to eliminate the Southpoint location and include the Financial Way location. The base year would remain as 2014, but the base value would be \$6,118,500 instead of \$7,429,140. Final payment for the REV Grant would be in FY 2024, which would allow the Company to receive up to six (6) REV Grant payments beginning in FY 2019, while keeping the cap at \$300,000.

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.)

<p>This first amendment to the EDA would eliminate the LFS for the QTI Program and any related references. The requested amendment would modify the definition of the Project Site to eliminate the Southpoint location and include the Financial Way location. The base year would remain as 2014, but the base value would be amended to \$6,118,500 instead of \$7,429,140. Final payment for the REV Grant would be in FY 2024, which would allow the Company to receive up to six (6) REV Grant payments beginning in FY 2019, while keeping the cap at \$300,000.</p>

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>Justification of Emergency: If yes, explanation must include detailed nature of emergency.</p> <div style="border: 1px solid black; height: 60px; width: 100%;"></div>
Federal or State Mandate?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p>Explanation: If yes, explanation must include detailed nature of mandate including Statute or Provision.</p> <div style="border: 1px solid black; height: 60px; width: 100%;"></div>
Fiscal Year Carryover?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p>Note: If yes, note must include explanation of all-year subfund carryover language.</p> <div style="border: 1px solid black; height: 60px; width: 100%;"></div>
CIP Amendment?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p>Attachment: 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>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.</p> <div style="border: 1px solid black; height: 60px; width: 100%;"></div>
Related RC/BT?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p>Attachment: If yes, attach appropriate RC/BT form(s).</p>
Waiver of Code?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p>Code Reference: 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; width: 100%;"></div>
Code Exception?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p>Code Reference: 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; width: 100%;"></div>
Related Enacted Ordinances?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>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.</p> <div style="border: 1px solid black; padding: 5px;">2015-267-A</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 generating

Division Chief: 
(signature)

Date: 5/30/2019

Prepared By: 
(signature)

Date: 5/30/2019

ADMINISTRATIVE TRANSMITTAL

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

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

From: Kirk Wendland, Executive Director, Office of Economic Development
Initiating Department Representative (Name, Job Title, Department)
Phone: 255-5455 E-mail: kwendland@coj.net

Primary Contact: Kirk Wendland, Executive Director, Office of Economic Development
(Name, Job Title, Department)
Phone: 255-5455 E-mail: kwendland@coj.net

CC: Jordan Elsbury, Director of Intergovernmental Affairs, Office of the Mayor
904-255-5013 E-mail: jelsbury@coj.net

COUNCIL MEMBER / INDEPENDENT AGENCY / CONSTITUTIONAL OFFICER TRANSMITTAL

To: Peggy Sidman, Office of General Counsel, St. James Suite 480
Phone: 904-255-5055 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: Jordan Elsbury, Director of Intergovernmental Affairs, Office of the Mayor
904-255-5013 E-mail: jelsbury@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