



**NORTHWEST JACKSONVILLE ECONOMIC DEVELOPMENT FUND
(NWJEDF) ADVISORY COMMITTEE
CITY HALL AT ST. JAMES
117 WEST DUVAL STREET, 3RD FLOOR, CONFERENCE ROOM C
JACKSONVILLE, FL 32202
TUESDAY, SEPTEMBER 28, 2021 AT 3:30 P.M.**

MEETING MINUTES

Location: City Hall at St. James, located at 117 West Duval Street, 3rd Floor, Conference Room C, Jacksonville, FL 32202

Advisory Board Members Present: Chair Fred Atwill, Jr., Vice-Chair John Allmand, Tillery Durbin, Cedrick Gibson, and Valerie H. Jenkins

Advisory Board Members Absent: George Barnes (excused), Amber Cabrera (excused)

Office of Economic Development Staff Present: Kirk Wendland, Paul Crawford, Wendy Khan, Ed Randolph and Corey Craig

Representing the Office of General Counsel: John Sawyer

Representing City Council: None

Members of the Public: None

I. CALL TO ORDER

Chair Fred Atwill, Jr. called the NWJEDF Advisory Committee meeting to order at @ 3:35 p.m. Around the table introductions were made. A quorum was established.

II. ACTION ITEMS

APPROVAL –AUGUST 24, 2021 MEETING MINUTES

BOARD MEMBER GIBSON MOVED THAT THE AUGUST 24, 2021 MEETING MINUTES BE APPROVED AS SUBMITTED. THE MOTION WAS SECONDED BY BOARD MEMBER JENKINS. A VOTE OF THE BOARD WAS TAKEN AND THE AUGUST 24, 2021 MEETING MINUTES WERE UNANIMOUSLY (5-0) APPROVED BY THE MEMBERS PRESENT.

PROJECT FENDER - PRESENTED BY ED RANDOLPH, PROJECT MANAGER, OED

Project Fender is a U.S.-based manufacturer of products for the marine industry and is evaluating the construction of a new manufacturing facility in Northwest Jacksonville. The company would move manufacturing operations from other states to the Jacksonville location. The Jacksonville facility would also serve as the company's international headquarters. The Jacksonville facility would allow the company to serve new and existing customers more easily in Florida, and the rest of the southeastern U.S. market. One of its largest customers is the U.S. military.

The company is evaluating adding approximately 100 new manufacturing jobs in Jacksonville, versus another location in the southeastern U.S. The average wage of the jobs is \$48,000, plus

a generous benefit package. The capital investment for the expansion would be approximately \$7.4 million, to construct a new manufacturing building in Northwest Jacksonville.

Project Fender has stated that City of Jacksonville incentives is a material factor in its decision to construct a new building and establish a manufacturing operation in Jacksonville, Florida.

# of Jobs To Be Created	Capital Investment	Intangibles
Approximately 100 new jobs. The company will need to create a minimum of 50 new jobs @ \$48,000 average wage, no later than Dec. 31, 2023, to qualify for COJ Grant. Annual payroll of new jobs is \$2.4 million excluding benefits.	Estimated to be \$7.4 million to construct a new industrial building and machinery and equipment purchases.	Supports the expansion of a target industry business and adds to Jacksonville's advanced manufacturing job base.

Project Rationale & Benefits:

Supporting Project Fender will allow for the development of a vacant parcel and expand Jacksonville's higher wage job opportunities and tax base, in Northwest Jacksonville.

The project has an ROI of 3.06:1, for the City of Jacksonville.

Project Incentives:

The City of Jacksonville proposes to provide:

- A Northwest Large Scale Economic Development Grant in the amount of \$250,000, from the Northwest Jacksonville Economic Development Fund, to help cover the costs related to the construction of a new industrial facility in Northwest Jacksonville.

The total amount of City incentives would be up to: \$250,000.

Discussion:

Chair Atwill, Jr. asked if the exact project location was confidential. Mr. Randolph replied that they haven't decided on their location yet, they are looking at a few sites within Northwest Jacksonville. Chair Atwill, Jr. confirmed that they must select a site in Northwest Jacksonville to get the proposed grant.

Board Member Jenkins asked about the zoning of the potential sites. Mr. Randolph replied that all the sites the company is evaluating are zoned properly for the proposed use.

Board Member Durbin asked if there was concern over the company being able to hit their job creation target. Mr. Randolph replied that the company is confident that they can reach their job creation target from the existing labor pool in Jacksonville. Mr. Wendland stated that some of the jobs may be relocations as well.

Vice Chair Allmand asked when more information about the company would be provided. Mr. Wendland replied that the company will remain confidential through both the Mayor's Budget Review Committee (MBRC) and City Council approval process, and can remain confidential for up to a year, per Florida Statute 288.075.

Conversation ensued regarding project confidentiality, and clawbacks for this project.

BOARD MEMBER JENKINS MADE A MOTION TO AMEND THE PROJECT SUMMARY TO INCLUDE CLAWBACKS, ESTABLISHING MINIMUM PERFORMANCE LEVELS PRIOR TO DISBURSEMENT. THE MOTION WAS SECONDED BY BOARD MEMBER GIBSON. A VOTE OF THE BOARD WAS TAKEN AND THE MOTION WAS APPROVED UNANIMOUSLY BY THE MEMBERS PRESENT (5-0) TO AMEND THE PROJECT SUMMARY TO INCLUDE CLAWBACKS, ESTABLISHING MINIMUM PERFORMANCE LEVELS PRIOR TO DISBURSEMENT.

A VOTE OF THE BOARD WAS TAKEN, AND THE NORTHWEST LARGE SCALE ECONOMIC DEVELOPMENT GRANT IN THE AMOUNT OF \$250,000.00 FOR PROJECT FENDER WAS APPROVED BY THE MEMBERS PRESENT, SUBJECT TO THE AMENDMENT (4-1 ALLMAND).

III. INFORMATION/DISCUSSION ITEMS

NWJEDF FINANCIALS UPDATE – PRESENTED BY WENDY KHAN, OED FINANCE & COMPLIANCE MANAGER

NWJEDF Summary Statement: the current available/unappropriated balance as of September 15, 2021, was approximately \$5.4 million.

NWJEDF Outstanding Loans: all nine active loans are current. The current principal balance due is: \$2,590,681.

Files at Office of General Counsel: there were no changes with the files that are in the Office of General Counsel for processing: Mr. G's Hair Depot; Cowealth, LLC; K Mack, LLC Shoppes at Norfolk; and Cedar Grove Corp.

UPDATE – ON-GOING PROGRAMS PRESENTED BY PAUL CRAWFORD, OED DEPUTY DIRECTOR

Septic Grant Program: there are no new projects to report. Program balance is approximately \$585,000.

Food Desert Program: City Council will vote on legislation this evening for a \$25,000 grant for Making Ends Meet, a small community-based grocery store located on Moncrief Road, operated by Overflow Health Alliance. The \$25,000 grant would be used to make improvements to the store, and to provide produce for them to give away to the community. Program balance is just below \$1 million.

IV. OLD BUSINESS

Board Member Jenkins asked how companies like Project Fender hear about the Northwest programs and how many companies apply for the funds. Mr. Randolph responded that staff proactively promotes the

Northwest programs to eligible businesses. Conversation ensued regarding incentives, and the site selection process.

V. NEW BUSINESS

No new business was discussed.

VI. PUBLIC COMMENTS

No members of the public were present.

VII. ADJOURNMENT

There being no further business, Chair Atwill adjourned the meeting at approximately 4:19 p.m.

The next quarterly NWJEDF Advisory Committee meeting date is TBD.

The written minutes for this meeting are only an overview of what was discussed. For verbatim comments, an audio file of the meeting is available upon request. Please contact Corey Craig at (904) 255-5445, or by email at ccraig@coj.net.