

RESOLUTION 2016-01-02

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) SUPPORTING LEGISLATION AUTHORIZING THE MAYOR AND CORPORATION SECRETARY TO EXECUTE AN ECONOMIC DEVELOPMENT AGREEMENT BETWEEN THE CITY OF JACKSONVILLE AND KRAFT HEINZ FOODS COMPANY (THE “COMPANY”), TO SUPPORT THE EXPANSION OF THE COMPANY’S OPERATIONS IN JACKSONVILLE, FLORIDA; RECOMMENDING THE COMPANY BE APPROVED BY THE STATE OF FLORIDA’S DEPARTMENT OF ECONOMIC OPPORTUNITY AS A QUALIFIED TARGET INDUSTRY BUSINESS PURSUANT TO SECTION 288.106-109, FLORIDA STATUTES; AUTHORIZING A RECAPTURED ENHANCED VALUE GRANT; AUTHORIZING THE TERMINATION OF THE \$425,000 REV GRANT PREVIOUSLY AUTHORIZED BY DIA RESOLUTION 2014-06-02; AUTHORIZING THE CEO OF THE DIA TO EXECUTE ALL DOCUMENTS TO EFFECTUATE THE REV GRANT; PROVIDING AN EFFECTIVE DATE

WHEREAS, the DIA previously authorized a REV Grant to the Company in the amount of \$425,000, as authorized by Resolution 2014-06-02 (the “Prior REV Grant”), and the Company and the City entered into that certain Economic Development Agreement (the “Prior EDA”) authorizing the Prior REV Grant; and

WHEREAS, the Company has completed the project contemplated by the Prior EDA, and is eligible to begin receiving payments thereunder; and

WHEREAS, Company again proposes to expand its existing operations in the Northbank Community Development area in Jacksonville, Florida, which will include a minimum private capital investment of at least \$14,000,000 for a total, minimum private capital investment in the two projects of \$30,000,000; and

WHEREAS, the expansion will result in the retention of 218 existing jobs in the City, and the Company has committed to the creation of an additional 40 new jobs at an average salary that is at least 115% of the average private sector wage in the State effective as of January 1, 2014, within the time frames as set forth in the EDA; and

WHEREAS, the Office of Economic Development has determined the Project is consistent the economic development goals of the City and the City’s Public investment Policy and will, among other things: support sustainable job growth by retaining 218 current permanent jobs; create 40 new jobs; help an existing targeted industry business to expand its operations; generate significant new ad valorem taxes, including significant new tax revenues for the public school system; and create induced and indirect job effects which will have a positive impact on local small businesses; and

WHEREAS, the City and Company have agreed to terminate the Prior EDA and to merge the Prior REV Grant into the REV Grant authorized by this Resolution; and

WHEREAS, the Downtown Investment Authority (“DIA”) is authorized per section 55.308 *Economic Development* of the City Ordinance Code, pending City Council and Mayoral approvals, to utilize the Tax Increment Finance District Trust Funds to foster the redevelopment of the Downtown Northbank Community Redevelopment Area; and

WHEREAS, the City is proposing a REV Grant for a period of seven years in a total amount not exceed \$1,000,000, calculated on 50% the incremental increase in the county portion of ad valorem taxes generated from the Company’s proposed private capital investment of up to \$30,000,000 (the “REV Grant”); and

WHEREAS, the REV Grant annual payments will be funded through the Northbank Tax Increment Finance District Trust Fund; and

WHEREAS, the proposed QTI Refunds and the REV Grant incentive is a material factor in assisting the Company to expand its operations in Jacksonville.

BE IT RESOLVED, by the Downtown Investment Authority:

Section 1. The DIA finds that the recitals set forth above are true and correct and are incorporated herein by this reference.

Section 2. The DIA hereby authorizes the REV Grant and approves the EDA and supports and encourages the approval of the EDA by the City Council and execution of the EDA by the City and the Company.

Section 3. The DIA authorizes the termination of the Prior REV Grant to the Company authorized by DIA Resolution 2014-06-02, effective upon execution of the EDA.

Section 4. The DIA hereby authorizes the CEO to execute all documents needed to effectuate the REV Grant.

Section 5. The Effective Date of this Resolution is the date upon execution of the Resolution by the Chairman of the DIA.

WITNESS:

Karen Hodenwaf

DOWNTOWN INVESTMENT AUTHORITY

James Bailey, Jr., Chairman

VOTE: In Favor: 6 Opposed: 2 Abstained: 0

FORM APPROVED:

Office of General Counsel