

Opinion

Guest column: Former JEA chair explains decision on new headquarters

By Alan Howard

Posted Apr 14, 2019 at 2:01 AM

On April 2, JEA's Board of Directors voted unanimously to build its new headquarters at 325 W. Adams St., the site proposed by Ryan Companies, a Minneapolis-based developer and real estate manager that specializes in corporate "build to suit" projects.

Ryan Companies was one of three competitive proposals the board reviewed, the two others being Chase Properties (Kings Avenue Station) and a partnership between the Jacksonville Jaguars and Cordish Companies (Lot J). Our decision came after a years-long process that culminated with a thorough six-month evaluation by JEA's procurement team, in close partnership with our real estate consultant, CBRE.

In the end, it was a close call. While JEA's procurement team, our real estate and legal advisors all favored the Ryan Companies bid, the three proposals were so close that we (the board) could have swung the results in another direction. However, the JEA board was mindful of our mandate to act in the best interests of JEA, its customers and employees.

Following that mandate and evaluating the bids based on JEA's four core values (financial value, customer value, community impact, and environmental value), the JEA board unanimously selected Ryan Companies to develop JEA's new headquarters.

JEA faces significant challenges: revenue loss driven by energy efficiency and distributed energy resources, technology disruption, significant capital needs in both energy and water, regulatory uncertainty, cost escalation and changing customer expectations. All of these challenges create an environment where transformation of our business is essential.

I believe that JEA's new headquarters will provide a foundation for industry-disrupting innovation efforts and enable us to attract and retain an engaged workforce. It will also provide JEA a facility to engage our customers and become the center of their energy and water experience.

I am proud of the talent at JEA. Our customers are well served by the entire JEA team; they are second to none. Our selection of our new CEO, and his recruitment of a strong and dynamic leadership team, will help JEA manage through the challenges ahead.

In addition to being the date that JEA's new headquarters location was chosen, April 2 also holds significance for me personally as my last day as chairman of JEA's Board of Directors. It wasn't lost on me that my last vote as chairman has the potential to impact the Jacksonville community for years to come. As a citizen of Jacksonville, and Jaguars season ticket holder, I am excited by the prospect of projects like Lot J and the positive impact they will have on our community. I am optimistic that they will move forward with the first-rate team they have in place and create a vibrant and thriving downtown with their proposed master plan development.

Ryan Companies has 90 days from the April 2 vote to secure the land from the City of Jacksonville and execute a final lease with JEA. That lease will then be brought back to the JEA Board for final approval. Let's stand behind JEA and its leadership in the short-term and long-term as they guide your utility and our community into the future.

Alan Howard is the former chair of the JEA Board of Directors.