

CITY COUNCIL RESEARCH DIVISION LEGISLATIVE SUMMARY



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Bill Type and Number: Ordinance 2023-114

Introducer/Sponsor(s): Council President at the request of the Mayor and by President Freeman

Date of Introduction: February 14, 2023

Committee(s) of Reference: F, NCSPHS

Date of Analysis: February 16, 2023

Type of Action: Authorization to borrow and appropriate funds; budget ordinance amendment; appropriation; authorization to execute funding agreement; fiscal year carry-over authorization; designation of oversight agency

Bill Summary: The bill authorizes the borrowing and appropriation of up to \$20 million in FY22-23 to fund a portion of the City's participation in a joint project with the University of Florida to establish a UF Health and Financial Technology Graduate Education Center in the City. It appropriates the up to \$20 million in borrowed funds in the form of a grant to the University of Florida for the creation of the new Education Center and authorizes the funds to carry-over to FY23-24. The bill amends Ordinance 2022-504-E (the FY22-23 budget ordinance) to replace the Fourth Revised Schedule B4, entitled "FY 22-25 Debt Management Fund Detail," in order to allow for the funding by the City of the project. It authorizes the negotiation and execution of an agreement between the City and UF in accordance with the term sheet attached to the ordinance. The Finance and Administration Department is designated as the City's oversight agency for the agreement and the project.

Background Information: This legislation authorizes the administration to enter into an agreement with the University of Florida for the establishment of a Health and Financial Technology Education Center in the City of Jacksonville in alignment with the term sheet provided. The City will agree to fund no more than 50% of the establishment costs up to \$50,000,000 over three years with City funds being contributed on a *pro rata* basis with other University-identified funds. The bill will authorize the borrowing needed to fund the FY '23 year-one commitment of \$20,000,000 with a further \$15,000,000 anticipated in each of the next two years (FY '24 and FY '25), subject to further council approval. The establishment of this center is declared to serve a public purpose due to the generational impact expected from the creation of high-paying jobs and developing the health and financial technology graduate education pool which will serve to boost Jacksonville's talent pool.

The term sheet provides that the City's contribution will specifically be for capital expenditures (including pre-construction planning, design and other soft costs). The City will make annual payments based on documentation of planned expenditures and UF will submit an audited annual report post-expenditure of City Grant Funds detailing actual expenditures made of both City Grant Funds and all other funds expended on the project. The City's administrative staff, and the City Council Auditors office, shall have the right to audit payment records and supporting documentation for expenditures reimbursed under the agreement.

Policy Impact Area: Economic and workforce development

Fiscal Impact: This bill appropriates up to \$20 million as the first installment of a \$50 million commitment.

Analyst: Clements