

LEGISLATIVE FACT SHEET

DATE: **4/20/2020**

BT or RC No: **N/A**

(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: **Ed Randolph, Director of Business Development** Contact No: **255-5450**

Email edr@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)

Project Academy is a multi-national manufacturer evaluating establishing a facility in the S. E. United States. Port cities in Alabama, Georgia, Florida, South Carolina and Virginia are being evaluated. Jacksonville is the only Florida city being considered at this time. Academy has indicated that time is of the essence and financial incentives are a material factor in the location decision. The project could result in the creation of up to 300 new jobs within five years. The average annual wage of those jobs projected is \$59,146 plus benefits. The average wage is 119% of the average wage in Florida and qualifies for the Qualified Target Industry (QTI) Tax Refund Program. The QTI Program is scheduled to sunset on June 30, 2020. Therefore, time is of the essence to utilize the QTI Program. Because of the short time period to utilize the QTI Program, Academy has not finalized their site decision. The preferred site is located within Census Tract 174, a designated Level 2 Distress Area within Downtown. Academy seeks to purchase or lease the preferred site and the negotiations have not been finalized. It is anticipated however, that the incentive package necessary for Academy to select Jacksonville as their preferred site would also require the utilization of the City of Jacksonville Recaptured Enhanced Value (REV) Grant estimated to equal 50% of the incremental increase in ad valorem and tangible personal property taxes generated from the proposed capital investment for a 10 year period. The estimated value of the private capital investment net of land cost is in excess of \$40 million, comprising real property or leasehold improvements, manufacturing equipment and furniture fixtures and equipment.

APPROPRIATION: Total Amount Appropriated \$0 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 the title of the legislation)

Name of Federal Funding Source(s)

From: _____ Amount: _____

To: _____ Amount: _____

Name of State Funding Source(s)

From: _____ Amount: _____

To: _____ Amount: _____

Name of COJ Funding Source(s)

From: Amount:

To: Amount:

Name of In-Kind Contributions:

From: _____ Amount: _____

To: _____ Amount: _____

Name & No. 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 ongoing maintenance and staffing obligation? Per Chapter 122 & 106 regarding funding of anticipated post-construction operation costs. (Minimum of 350 words – maximum of 1 page.)

Academy is seeking public investment through the State of Florida Qualified Target Industry (QTI) Program. The QTI incentive proposed is \$5,000 per job up to \$1,500,000. The City match portion of the QTI is 20% of the award, or \$1,000 per job up to \$300,000. The QTI award will be payable after the average wage and jobs created are verified by the Florida Department of Economic Opportunity over the proposed payout period extending from 2021 - 2028. Due to the time constraints associated with the sunseting of the QTI program, Project Academy will be submitted in two separate pieces of legislation. The first is this request to participate in the QTI program and appropriate the 20% match as proposed herein. Once the exact site configuration is determined, subsequent legislation will be submitted by DIA for consideration and approval of the REV Grant. The specifics of the REV Grant will be specified at that time. • The project has a positive ROI of 1.88, for the City of Jacksonville.

ACTION ITEMS: Purpose/Check List. If "Yes" please provide detail by attaching justification and code provisions for each.

ACTION ITEMS:

Emergency? Yes _____ No **X** _____

Justification of Emergency: If yes, explanation must include detailed nature of emergency.

Federal or State Mandate? Yes _____ No **X** _____

Explanation: If yes, explanation must include detailed nature of mandate include Statue or Provision.

Fiscal Year Carryover? Yes _____ No **X** _____

Note: If yes, note must include explanation of all-year subfund carryover language.

CIP Amendment? Yes ___ No **X**___

Attachment: If yes, attach appropriate CIP form(s). Include justification for mid-year amendment.

Contract/Agreement Approval? Yes **X**___ No ___

Attachment & Explanation: If yes, attach the Contract/Agreement & provide name of the Department and include contact name and telephone number of the person r that will provide oversight. Indicate if negotiations are on-going and with whom. Has OGC reviewed/drafted? **OED will provide oversight and administration.**

Related RC/BT? Yes ___ No **X**___ If yes, attach appropriate RC/BT form(s)

Waiver of Code? Yes ___ No **X**___

Code Reference: If yes, identify code section(s) in space below & provide detailed explanation (including impacts) within white paper.

Code Exception: Yes ___ No **X**___

Code Reference: If yes, identify code section(s) in space below & provide detailed explanation (including impacts) within white paper.

Related Enacted Ordinances? Yes ___ No **X**___

Code Reference: If yes, identify related code section(s) and ORD reference number in the space below & provide detailed explanation and any changes necessary within whitepaper.

ACTION ITEMS CONTINUED: Purpose/Check List. If "Yes" please provide detail by attaching justification and code provisions for each.

ACTION ITEMS:

Continuation of Grant? Yes ___ No **X**___

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? Yes ___ No **X**___ Attachment: If yes, attach appropriate form(s)

Reporting Requirements? Yes ___ No **X**___

Explanation: List agencies (including City Council/Auditor) to receive reports and frequency of reports, including when reports are due. Provide name of the Department and include contact name and telephone number of the person responsible for generating.

Director BD: _____
(Signature)

Date: 4/20/2020

Director BD: _____

Date: 4/20/2020 _____

Prepared By: _____

Date: 4/20/2020 _____

(Signature)

ADMINISTRATIVE TRANSMITTAL

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

Thru: N/A
(Name, Job Title, Department)

From: Kirk Wendland, Executive Director, Office of Economic Development (OED)
Initiating Department Representative (Name, Job Title, Department)

Phone: 255-5455 E-Mail: kwendland@coj.net

Primary Contact: Ed Randolph, Director Business Development
(Name, Job Title, Department)

Phone: 255-5450 E-Mail: edr@coj.net

CC: Jordan Elsbury, Director of Intergovernmental Affairs, Office of the Mayor

Phone: 255-5013 E-Mail: jelsbury@coj.net

COUNCIL MEMBER/INDEPENDENT AGENCY/CONSTITUTIONAL OFFICER TRANSMITTAL

To: Peggy Sidman, Office of General Counsel, St. James Bldg., Suite 480

Phone: 255-5055 E-Mail: psidman@coj.net

From: N/A
Initiating Council Member/Independent Agency/Constitutional Officer

Phone: _____ E-Mail: _____

Primary Contact: N/A
(Name, Job Title, Department)

Phone: _____ E-Mail: _____

CC: Jordan Elsbury, Director of Intergovernmental Affairs, Office of the Mayor

Phone: _____ E-Mail: _____

Legislation from Independent Agencies requires a resolution from the Independent Agency Board approving the legislation

Independent Agency Action Item:

Board(s) Action/Resolution? Yes _____ No **X** _____

Attachment: If yes, attach appropriate documentation. If no, when is board action scheduled?

FACT SHEET IS REQUIRED BEFORE LEGISLATION IS INTRODUCED