Bill Type and Number: Resolution 2023-715

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

Date of Introduction: October 10, 2023

Committee(s) of Reference: F

Date of Analysis: October 12, 2023

Type of Action: Authorization of economic development agreement; authorization of REV grant; designation of oversight agency; affirmation of compliance with Public Investment Policy; request for fast-track approval on 2 readings

Bill Summary: The bill authorizes execution of an economic development agreement between the City and Project Orion (corporate identity temporarily confidential) for the expansion of the company's existing Jacksonville manufacturing business on the Westside. It authorizes a Recaptured Enhanced Value (REV) grant not to exceed $1.5 million. The Office of Economic Development is designated as the City's oversight agency for the project. The bill affirms that the project incentive complies with the City's Public Investment Policy and requests fast-track approval on 2 readings pursuant to Council Rule 3.305.

Background Information: Project Orion is an established manufacturer of mechanical equipment which designs, engineers and delivers modular equipment to aid power suppliers. The company plans to expand into an existing building with a capital investment exceeding $20 million in the building and $8.775 million in equipment, and will create 250 new full-time jobs. The REV grant represents 50% of the increased real and personal property taxes generated by the project for 10 years, up to a maximum of $1.5 million. The Mayor and OED are authorized to execute contracts and other documents and the company is obliged to sign the agreement within 90 days of receipt of the document from the City.

Policy Impact Area: Economic development

Fiscal Impact: The bill authorizes a REV grant of up to $1.5 million payable over 10 years.

Analyst: Clements