

1 Introduced by the Council President at the request of the Mayor and  
2 amended by the Finance Committee:

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5 **RESOLUTION 2020-226-A**

6 A RESOLUTION MAKING CERTAIN FINDINGS, AND  
7 APPROVING AND AUTHORIZING THE EXECUTION OF AN  
8 ECONOMIC DEVELOPMENT AGREEMENT BETWEEN THE  
9 CITY OF JACKSONVILLE ("CITY") AND PROJECT  
10 KODIAK ("COMPANY"), TO SUPPORT THE CREATION OF  
11 THE COMPANY'S NEW OFFICES IN JACKSONVILLE,  
12 FLORIDA (THE "PROJECT"); RECOMMENDING THAT THE  
13 COMPANY BE APPROVED BY THE STATE OF FLORIDA'S  
14 DEPARTMENT OF ECONOMIC OPPORTUNITY AS A  
15 QUALIFIED TARGET INDUSTRY ("QTI") BUSINESS  
16 PURSUANT TO SECTIONS 288.106-108, FLORIDA  
17 STATUTES; EVIDENCING A COMMITMENT OF CITY  
18 SUPPORT IN AN AMOUNT NOT TO EXCEED \$96,000 AS  
19 THE LOCAL FINANCIAL SUPPORT UNDER THE  
20 QUALIFIED TARGET INDUSTRY TAX REFUND PROGRAM  
21 PAYABLE OVER MULTIPLE YEARS PER GUIDELINES SET  
22 BY THE STATE DEPARTMENT OF ECONOMIC  
23 OPPORTUNITY, WITH A STATE MATCH OF \$384,000,  
24 FOR A TOTAL CITY AND STATE QTI AMOUNT OF  
25 \$480,000 FOR 80 JOBS; APPROVING AND  
26 AUTHORIZING EXECUTION OF DOCUMENTS BY THE  
27 MAYOR OR HIS DESIGNEE AND CORPORATION  
28 SECRETARY; AUTHORIZING APPROVAL OF TECHNICAL  
29 AMENDMENTS BY THE EXECUTIVE DIRECTOR OF THE  
30 OED; PROVIDING FOR CITY OVERSIGHT BY THE OED;  
31 TIMELINE FOR EXECUTION OF AGREEMENT BY THE

1 COMPANY; AFFIRMING THE PROJECT'S COMPLIANCE  
2 WITH THE PUBLIC INVESTMENT POLICY ADOPTED BY  
3 ORDINANCE 2016-382-E, AS AMENDED BY ORDINANCE  
4 2018-370-E AND ORDINANCE 2019-243-E;  
5 REQUESTING TWO READING PASSAGE PURSUANT TO  
6 COUNCIL RULE 3.305; PROVIDING AN EFFECTIVE  
7 DATE.

8  
9 **WHEREAS**, Section 288.075, Florida Statutes, allows certain  
10 confidentiality regarding economic development projects and the  
11 Company has requested confidentiality in accordance with such law  
12 and the OED has approved the Project Kodiak and advised that the  
13 Economic Development Agreement is necessary to effectuate the  
14 Project; and

15 **WHEREAS**, the Company has committed to create 80 permanent  
16 full-time equivalent new jobs in Jacksonville with an average  
17 salary, exclusive of benefits, of approximately \$74,209 per annum  
18 by December 31, 2021, all as further described in the Project  
19 Summary attached hereto as **Exhibit 1**; and

20 **WHEREAS**, such \$74,209 average salary is at least 150% of the  
21 average private-sector wage in the State effective as of January 1,  
22 2019; and

23 **WHEREAS**, the City of Jacksonville ("City") wishes to support  
24 tax refunds for the Company in the maximum amount available under  
25 Sections 288.106-108, Florida Statutes, relating to qualified  
26 target industry High Impact Sector businesses (the "QTI Refunds");  
27 and

28 **WHEREAS**, the City is required to fund 20% of the amount of the  
29 basic QTI Refunds with a High Impact Sector bonus (20% of \$480,000,  
30 or \$1,200 for each of 80 new jobs, for a total City contribution of  
31 \$96,000) granted to the Company as the City's "local financial

1 support", while the State of Florida provides 80% of the basic QTI  
2 Refunds at the 150% salary level with High Impact Sector bonuses;  
3 and

4 **WHEREAS**, a combined City and State grant of up to \$6,000 per  
5 job in QTI Refunds (of which \$4,000 are QTI refunds at the 150%  
6 salary level, and \$2,000 are High Impact Sector bonuses) is a pre-  
7 condition essential to the willingness and ability of the Company  
8 to expand its business in Jacksonville; and

9 **WHEREAS**, for the reasons more fully described in the Project  
10 Summary, the grant of QTI Refunds with High Impact Sector bonuses  
11 in such amounts serves a paramount public purpose; and

12 **WHEREAS**, the City's Office of Economic Development ("OED") has  
13 reviewed the application submitted by the Company for community  
14 development, and, together with representatives of the City,  
15 negotiated the Economic Development Agreement and, based upon the  
16 contents of the Economic Development Agreement, has determined the  
17 Economic Development Agreement and the uses contemplated therein to  
18 be in the public interest, and has determined that the public  
19 actions and financial assistance contemplated in the Economic  
20 Development Agreement take into account and give consideration to  
21 the long-term public interests and public interest benefits to be  
22 achieved by the City; and

23 **WHEREAS**, the Company has requested the City to enter into an  
24 Economic Development Agreement in substantially the form placed **On**  
25 **File** with the Legislative Services Division; now therefore,

26 **BE IT RESOLVED** by the Council of the City of Jacksonville:

27 **Section 1. Findings.** It is hereby ascertained,  
28 determined, found and declared as follows:

29 (a) The recitals set forth herein are true and correct.

30 (b) The location of the Company's project in Jacksonville,  
31 Florida, ("Project") is more particularly described in the Economic

1 Development Agreement. The Project will promote and further the  
2 public and municipal purposes of the City.

3 (c) Enhancement of the City's tax base and revenues, are  
4 matters of State and City policy and State and City concern in order  
5 that the State and its counties and municipalities, including the  
6 City, shall not continue to be endangered by unemployment,  
7 underemployment, economic recession, poverty, crime and disease, and  
8 consume an excessive proportion of the State and City revenues  
9 because of the extra services required for police, fire, accident,  
10 health care, elderly care, charity care, hospitalization, public  
11 housing and housing assistance, and other forms of public  
12 protection, services and facilities.

13 (d) The provision of the City's assistance as identified in  
14 the Economic Development Agreement is necessary and appropriate to  
15 make the Project feasible; and the City's assistance is reasonable  
16 and not excessive, taking into account the needs of the Company to  
17 make the Project economically and financially feasible, and the  
18 extent of the public benefits expected to be derived from the  
19 Project, and taking into account all other forms of assistance  
20 available.

21 (e) The Company is qualified to carry out and complete the  
22 construction and equipping of the Project, in accordance with the  
23 Economic Development Agreement.

24 (f) Recommendation for QTI Refunds. The Council, acting in  
25 its capacity as a county, hereby recommends to the State of Florida  
26 Department of Economic Opportunity that the Company be approved as a  
27 "qualified target industry business" pursuant to Section 288.106-  
28 108, Florida Statutes, with High Impact Sector bonuses.

29 (g) The authorizations provided by this Resolution are for  
30 public uses and purposes for which the City may use its powers as a  
31 county, municipality and as a political subdivision of the State of

1 Florida and may expend public funds, and the necessity in the public  
2 interest for the provisions herein enacted is hereby declared as a  
3 matter of legislative determination.

4 (h) This Resolution is adopted pursuant to the provisions of  
5 Chapters 163, 166 and 125, Florida Statutes, as amended, the City's  
6 Charter, and other applicable provisions of law.

7 **Section 2. Economic Development Agreement Approved.** There  
8 is hereby approved, and the Mayor and Corporation Secretary are  
9 authorized to enter into an Economic Development Agreement  
10 ("Agreement") between the City and the Company, substantially in  
11 the form placed **On File** with the Legislative Services Division  
12 (with such "technical" changes as herein authorized), for the  
13 purpose of implementing the recommendations of the OED, as are  
14 further described in the Project Summary attached hereto as **Exhibit**  
15 **1.**

16 The Agreement may include such additions, deletions and  
17 changes as may be reasonable, necessary and incidental for carrying  
18 out the purposes thereof, as may be acceptable to the Mayor, or his  
19 designee, with such inclusion and acceptance being evidenced by  
20 execution of the Agreement by the Mayor or his designee. No  
21 modification to the Agreement may increase the financial  
22 obligations or the liability of the City and any such modification  
23 shall be technical only and shall be subject to appropriate legal  
24 review and approval of the General Counsel, or his or her designee,  
25 and all other appropriate action required by law. "Technical" is  
26 herein defined as including, but not limited to, changes in legal  
27 descriptions and surveys, descriptions of infrastructure  
28 improvements and/or any road project, ingress and egress, easements  
29 and rights of way, performance schedules (provided that no  
30 performance schedule may be extended for more than one year unless  
31 required to align the Performance Schedule with any changes to

1 performance schedules set forth in the agreement between the  
2 Company and the State of Florida Department of Economic  
3 Opportunity) design standards, access and site plan, which have no  
4 financial impact.

5 **Section 3. QTI Local Financial Support Approved.** By this  
6 Resolution, the City is authorized and directed to provide "local  
7 financial support," as defined in Section 288.106, Florida  
8 Statutes, in the aggregate amount of up to \$96,000 or 20% of the  
9 amount of the basic QTI Refunds with High Impact Sector bonuses  
10 granted to the Company by the State, whichever is less. Such local  
11 financial support shall be made available in the amount of up to  
12 \$1,200 per new job for up to 80 new jobs created by the Company in  
13 connection with the Project. The funding for such local financial  
14 support will be made available by future appropriation of the  
15 Council over the time period described in the guidelines referenced  
16 in the heading of this Resolution if such new jobs are created.

17 **Section 4. Designation of Authorized Official/OED Contract**  
18 **Monitor.** The Mayor is designated as the authorized official of the  
19 City for the purpose of executing and delivering any contracts,  
20 notes and documents and furnishing such information, data and  
21 documents for the Agreement as may be required and otherwise to act  
22 as the authorized official of the City in connection with the  
23 Agreement, and is further authorized to designate one or more other  
24 officials of the City to exercise any of the foregoing  
25 authorizations and to furnish or cause to be furnished such  
26 information and take or cause to be taken such action as may be  
27 necessary to enable the City to implement the Agreement according  
28 to its terms. The OED is hereby required to administer and monitor  
29 the Agreement and to handle the City's responsibilities thereunder,  
30 including the City's responsibilities under the Agreement working  
31 with and supported by all relevant City departments.

1           **Section 5. Further Authorizations.**       The Mayor, or his  
2           designee, and the Corporation Secretary, are hereby authorized to  
3           execute the Agreement and all other contracts and documents and  
4           otherwise take all necessary action in connection therewith and  
5           herewith. The Executive Director of the OED, as contract  
6           administrator, is authorized to negotiate and execute all necessary  
7           changes and amendments to the Agreement and other contracts and  
8           documents, to effectuate the purposes of this Resolution, without  
9           further Council action, provided such changes and amendments are  
10          limited to amendments that are technical in nature as described in  
11          Section 2 hereof, and further provided that all such amendments  
12          shall be subject to appropriate legal review and approval by the  
13          Office of General Counsel, or his or her designee, and all other  
14          appropriate official action required by law.

15          **Section 6. Oversight Department.**       The OED shall oversee the  
16          project described herein.

17          **Section 7. Execution of the Agreement.**       If the Agreement  
18          approved by this Resolution has not been signed by the Company  
19          within ninety (90) days after the OED delivers or mails the  
20          unexecuted Agreement to the Company for execution, then the City  
21          Council approval of the Project and authorization for the Mayor to  
22          execute the Agreement is automatically revoked, provided however,  
23          that the Executive Director of the OED shall have the authority to  
24          extend such ninety (90) day period in writing at his discretion for  
25          up to an additional ninety (90) days.

26          **Section 8. Public Investment Policy.** This Resolution conforms  
27          to the guidelines provided in the Public Investment Policy adopted  
28          by City Council Ordinance 2016-382-E as amended by Ordinance 2018-  
29          370-E and Ordinance 2019-243-E.

30          **Section 9. Requesting Two Reading Passage Pursuant to Council**  
31          **Rule 3.305.** Two reading passage of this legislation is requested

1 pursuant to Council Rule 3.305.

2       **Section 10. Effective Date.** This Resolution shall become  
3 effective upon signature by the Mayor or upon becoming effective  
4 without the Mayor's signature.

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9 Form Approved:

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11 /s/ Paige H. Johnston

12 Office of General Counsel

13 Legislation prepared by: John Sawyer

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