

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 2020-423-A**

6 A RESOLUTION MAKING CERTAIN FINDINGS, AND
7 APPROVING AND AUTHORIZING THE EXECUTION OF AN
8 AMENDED AND RESTATED ECONOMIC DEVELOPMENT
9 AGREEMENT ("AGREEMENT") BETWEEN THE CITY OF
10 JACKSONVILLE ("CITY") AND UNITED PARCEL
11 SERVICE, INC. ("COMPANY"), TO SUPPORT THE
12 EXPANSION OF COMPANY'S EXISTING DISTRIBUTION
13 FACILITY LOCATED AT 4420 IMESON ROAD IN THE
14 CITY ("PROJECT"); AUTHORIZING A RECAPTURE
15 ENHANCED VALUE (REV) GRANT OF \$6,800,000;
16 APPROVING AND AUTHORIZING EXECUTION OF
17 DOCUMENTS BY THE MAYOR OR HIS DESIGNEE AND
18 CORPORATION SECRETARY; AUTHORIZING APPROVAL OF
19 TECHNICAL AMENDMENTS BY THE EXECUTIVE DIRECTOR
20 OF THE OFFICE OF ECONOMIC DEVELOPMENT ("OED");
21 PROVIDING FOR OVERSIGHT BY THE OED; PROVIDING
22 A DEADLINE FOR THE COMPANY TO EXECUTE THE
23 AGREEMENT; AFFIRMING THE PROJECT'S COMPLIANCE
24 WITH THE PUBLIC INVESTMENT POLICY ADOPTED BY
25 ORDINANCE 2016-382-E, AS AMENDED; REQUESTING
26 TWO-READING PASSAGE PURSUANT TO COUNCIL RULE
27 3.305; PROVIDING AN EFFECTIVE DATE.
28

29 **WHEREAS**, United Parcel Service, Inc. (the "Company") and the
30 City have previously entered into that certain Economic Development
31 Agreement dated May 19, 2017 ("Agreement"), as authorized by

1 Resolution 2016-700-A, pursuant to which the Company anticipated
2 making a capital investment in the amount of \$196,000,000 in
3 expanding its existing facility located at 4420 Imeson Road (the
4 "Project"), Jacksonville, Florida (the "Project Parcel"), upon
5 completion of which the Company is eligible for an up to \$4,300,000
6 REV Grant as set forth in the Agreement; and

7 **WHEREAS**, the Company is in compliance with the terms and
8 conditions of the Agreement and has invested approximately
9 \$173,000,000 in the Project to date; and

10 **WHEREAS**, after further analysis, the Company proposes to
11 invest an additional \$138,000,000 at the Project Parcel, for a
12 combined total of \$334,000,000 of Capital Investment in the
13 Project, and accordingly has requested and OED has agreed to
14 increase the maximum amount of the REV Grant from \$4,300,000 to
15 \$6,800,000; and

16 **WHEREAS**, as amended, the Project will result in the creation
17 of 240 new full-time equivalent jobs in Jacksonville with an
18 average salary, exclusive of benefits, of approximately \$50,000 per
19 annum by December 31, 2024, all as further described in the Project
20 Summary attached hereto as **Exhibit 1**; and

21 **WHEREAS**, for the reasons more fully described in the Project
22 Summary, the payment of the REV Grant in such amounts serves a
23 paramount public purpose; and

24 **WHEREAS**, the REV Grant authorized hereby is consistent with
25 the Public Investment Policy authorized by 2016-382-E, as amended
26 by Ordinance 2019-243-E (the "Public Investment Policy") in that
27 the Project not only creates 240 new jobs but also will cause
28 private capital investment of \$334,000,000; and

29 **WHEREAS**, the OED has reviewed the application submitted by the
30 Company for community development, and, together with
31 representatives of the City, negotiated the Agreement and, based

1 upon the contents of the Agreement, has determined the Agreement
2 and the uses contemplated therein to be in the public interest, and
3 has determined that the public actions and financial assistance
4 contemplated in the Agreement take into account and give
5 consideration to the long-term public interests and public interest
6 benefits to be achieved by the City; and

7 **WHEREAS**, the Company has requested the City to enter into an
8 agreement in substantially the form placed **Revised On File** with the
9 Legislative Services Division; now therefore,

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

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

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

14 (b) The location of the Company's Project in Jacksonville,
15 Florida, is more particularly described in the Agreement. The
16 Project will promote and further the public and municipal purposes
17 of the City.

18 (c) Enhancement of the City's tax base and revenues, are
19 matters of State and City policy and State and City concern in order
20 that the State and its counties and municipalities, including the
21 City, shall not continue to be endangered by unemployment,
22 underemployment, economic recession, poverty, crime and disease, and
23 consume an excessive proportion of the State and City revenues
24 because of the extra services required for police, fire, accident,
25 health care, elderly care, charity care, hospitalization, public
26 housing and housing assistance, and other forms of public
27 protection, services and facilities.

28 (d) The provision of the City's assistance as identified in
29 the Agreement is necessary and appropriate to make the Project
30 feasible; and the City's assistance is reasonable and not excessive,
31 taking into account the needs of the Company to make the Project

1 economically and financially feasible, and the extent of the public
2 benefits expected to be derived from the Project, and taking into
3 account all other forms of assistance available.

4 (e) The Company is qualified to carry out and complete the
5 construction and equipping of the Project, in accordance with the
6 Agreement.

7 (f) The authorizations provided by this Resolution are for
8 public uses and purposes for which the City may use its powers as a
9 county, municipality and as a political subdivision of the State of
10 Florida and may expend public funds, and the necessity in the public
11 interest for the provisions herein enacted is hereby declared as a
12 matter of legislative determination.

13 (g) This Resolution is adopted pursuant to the provisions of
14 Chapters 163, 166 and 125, Florida Statutes, as amended, the City's
15 Charter, and other applicable provisions of law.

16 **Section 2. Amended and Restated Economic Development**
17 **Agreement Approved.** There is hereby approved, and the Mayor and
18 Corporation Secretary are authorized to execute and deliver, for
19 and on behalf of the City, an agreement between the City and the
20 Company, substantially in the form placed **Revised On File** with the
21 Legislative Services Division (with such "technical" changes as
22 herein authorized), for the purpose of implementing the
23 recommendations of the OED, as are further described in the Project
24 Summary attached hereto as **Exhibit 1**.

25 The Agreement may include such additions, deletions and
26 changes as may be reasonable, necessary and incidental for carrying
27 out the purposes thereof, as may be acceptable to the Mayor, or his
28 designee, with such inclusion and acceptance being evidenced by
29 execution of the Agreement by the Mayor or his designee. No
30 modification to the Agreement may increase the financial obligations
31 or the liability of the City and any such modification shall be

1 technical only and shall be subject to appropriate legal review and
2 approval of the General Counsel, or his or her designee, and all
3 other appropriate action required by law. "Technical" is herein
4 defined as including, but not limited to, changes in legal
5 descriptions and surveys, descriptions of infrastructure
6 improvements and/or any road project, ingress and egress, easements
7 and rights of way, performance schedules (provided that no
8 performance schedule may be extended for more than one year without
9 City Council approval) design standards, access and site plan, which
10 have no financial impact.

11 **Section 3. Payment of REV Grant.**

12 (a) The REV Grant shall not be deemed to constitute a debt,
13 liability, or obligation of the City or of the State of Florida or
14 any political subdivision thereof within the meaning of any
15 constitutional or statutory limitation, or a pledge of the faith and
16 credit or taxing power of the City or of the State of Florida or any
17 political subdivision thereof, but shall be payable solely from the
18 funds provided therefor as provided in this Section. The Agreement
19 shall contain a statement to the effect that the City shall not be
20 obligated to pay any installment of its financial assistance to the
21 Company except from the non-ad valorem revenues or other legally
22 available funds provided for that purpose, that neither the faith
23 and credit nor the taxing power of the City or of the State of
24 Florida or any political subdivision thereof is pledged to the
25 payment of any portion of such financial assistance, and that the
26 Company, or any person, firm or entity claiming by, through or under
27 the Company, or any other person whomsoever, shall never have any
28 right, directly or indirectly, to compel the exercise of the ad
29 valorem taxing power of the City or of the State of Florida or any
30 political subdivision thereof for the payment of any portion of such
31 financial assistance.

1 (b) The Mayor, or his designee, is hereby authorized to and
2 shall disburse the annual installments of the REV Grant as provided
3 in this Section in accordance with this Resolution and the
4 Agreement.

5 **Section 4. Designation of Authorized Official/OED**
6 **Contract Monitor.** The Mayor is designated as the authorized
7 official of the City for the purpose of executing and delivering
8 any contracts and documents and furnishing such information, data
9 and documents for the Agreement and related documents as may be
10 required and otherwise to act as the authorized official of the
11 City in connection with the Agreement, and is further authorized to
12 designate one or more other officials of the City to exercise any
13 of the foregoing authorizations and to furnish or cause to be
14 furnished such information and take or cause to be taken such
15 action as may be necessary to enable the City to implement the
16 Agreement according to its terms. The OED is hereby required to
17 administer and monitor the Agreement and to handle the City's
18 responsibilities thereunder, including the City's responsibilities
19 under such Agreement working with and supported by all relevant
20 City departments.

21 **Section 5. Further Authorizations.** The Mayor, or his
22 designee, and the Corporation Secretary, are hereby authorized to
23 execute the Agreement and all other contracts and documents and
24 otherwise take all necessary action in connection therewith and
25 herewith. The Executive Director of the OED, as contract
26 administrator, is authorized to negotiate and execute all necessary
27 changes and amendments to the Agreement and other contracts and
28 documents, to effectuate the purposes of this Resolution, without
29 further Council action, provided such changes and amendments are
30 limited to amendments that are technical in nature (as described in
31 Section 2 hereof), and further provided that all such amendments

1 shall be subject to appropriate legal review and approval by the
2 General Counsel, or his or her designee, and all other appropriate
3 official action required by law.

4 **Section 6. Oversight Department.** The OED shall oversee
5 the Project described herein.

6 **Section 7. Execution of Agreement.** If the Agreement
7 approved by this Resolution has not been signed by the Company
8 within ninety (90) days after the OED delivers or mails the
9 unexecuted Agreement to the Company for execution, then the City
10 Council approvals in this Resolution and authorization for the
11 Mayor to execute the Agreement are automatically revoked, provided
12 however, that the Executive Director of the OED shall have the
13 authority to extend such ninety (90) day period in writing at his
14 discretion for up to an additional ninety (90) days.

15 **Section 8. Public Investment Policy.** This Resolution
16 conforms to the guidelines provided in the Public Investment Policy
17 adopted by City Council Ordinance 2016-382-E, as amended.

18 **Section 9. Requesting Two Reading Passage Pursuant to**
19 **Council Rule 3.305.** Two reading passage of this legislation is
20 requested pursuant to Council Rule 3.305.

21 **Section 10. Effective Date.** This Resolution shall become
22 effective upon signature by the Mayor or upon becoming effective
23 without the Mayor's signature.

24
25 Form Approved:

26
27 /s/ Paige H. Johnston

28 Office of General Counsel

29 Legislation Prepared By: John Sawyer

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