

1 Introduced by the Council President at the request of the Mayor:
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4 **RESOLUTION 2020-423**

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

27
28 **WHEREAS**, United Parcel Service, Inc. (the "Company") and the
29 City have previously entered into that certain Economic Development
30 Agreement dated May 19, 2017 ("Agreement"), as authorized by
31 Resolution 2016-700-A, pursuant to which the Company anticipated

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

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

9 **WHEREAS**, after further analysis, the Company proposes to
10 invest an additional \$147,000,000 at the Project Parcel, for a
11 combined total of \$343,000,000 of Capital Investment in the
12 Project, and accordingly has requested and OED has agreed to
13 increase the maximum amount of the REV Grant from \$4,300,000 to
14 \$6,800,000; and

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

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

23 **WHEREAS**, the REV Grant authorized hereby is consistent with
24 the Public Investment Policy authorized by 2016-382-E, as amended
25 by Ordinance 2019-243-E (the "Public Investment Policy") in that
26 the Project not only creates 240 new jobs but also will cause
27 private capital investment of \$343,000,000; and

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

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

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

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

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

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

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

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

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

1 benefits expected to be derived from the Project, and taking into
2 account all other forms of assistance available.

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

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

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

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

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

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

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

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

31 (b) The Mayor, or his designee, is hereby authorized to and

1 shall disburse the annual installments of the REV Grant as provided
2 in this Section in accordance with this Resolution and the
3 Agreement.

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

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

1 General Counsel, or his or her designee, and all other appropriate
2 official action required by law.

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

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

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

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

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

23
24 Form Approved:

25
26 /s/ John Sawyer

27 Office of General Counsel

28 Legislation Prepared By: John Sawyer

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