

1 Introduced by the Council President at the request of the Mayor:
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4 **RESOLUTION 2019-377**

5 A RESOLUTION MAKING CERTAIN FINDINGS, AND
6 APPROVING AND AUTHORIZING THE EXECUTION OF AN
7 ECONOMIC DEVELOPMENT AGREEMENT BETWEEN THE
8 CITY OF JACKSONVILLE ("CITY") AND PROJECT
9 LIBERTY ("COMPANY"), TO SUPPORT THE EXPANSION
10 OF THE COMPANY'S OPERATIONS IN JACKSONVILLE,
11 FLORIDA (THE "PROJECT"); RECOMMENDING THAT THE
12 COMPANY BE APPROVED BY THE STATE OF FLORIDA'S
13 DEPARTMENT OF ECONOMIC OPPORTUNITY AS A
14 QUALIFIED TARGET INDUSTRY ("QTI") BUSINESS
15 PURSUANT TO SECTIONS 288.106-108, FLORIDA
16 STATUTES; EVIDENCING A COMMITMENT OF CITY
17 SUPPORT IN AN AMOUNT NOT TO EXCEED \$198,000 AS
18 THE LOCAL FINANCIAL SUPPORT UNDER THE
19 QUALIFIED TARGET INDUSTRY TAX REFUND PROGRAM
20 PAYABLE OVER MULTIPLE YEARS PER GUIDELINES SET
21 BY THE STATE DEPARTMENT OF ECONOMIC
22 OPPORTUNITY, WITH A STATE MATCH OF \$792,000,
23 FOR A TOTAL CITY AND STATE QTI AMOUNT OF
24 \$990,000 FOR 198 JOBS; APPROVING AND
25 AUTHORIZING EXECUTION OF DOCUMENTS BY THE
26 MAYOR OR HIS DESIGNEE AND CORPORATION
27 SECRETARY; AUTHORIZING APPROVAL OF TECHNICAL
28 AMENDMENTS BY THE EXECUTIVE DIRECTOR OF THE
29 OED; PROVIDING FOR CITY OVERSIGHT BY THE OED;
30 TIMELINE FOR EXECUTION OF AGREEMENT BY THE
31 COMPANY; AFFIRMING THE PROJECT'S COMPLIANCE

1 WITH THE PUBLIC INVESTMENT POLICY ADOPTED BY
2 ORDINANCE 2016-382-E; REQUESTING TWO READING
3 PASSAGE PURSUANT TO COUNCIL RULE 3.305;
4 PROVIDING AN EFFECTIVE DATE.
5

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

11 **WHEREAS**, Company has committed to create 198 permanent full-
12 time equivalent new jobs in Jacksonville with an average salary,
13 exclusive of benefits, of approximately \$69,000 per annum by
14 December 31, 2021, all as further described in the Project Summary
15 attached hereto as **Exhibit 1**; and

16 **WHEREAS**, such \$69,000 average salary is at least 115% of the
17 average private-sector wage in the State effective as of January 1,
18 2019; and

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

24 **WHEREAS**, the City is required to fund 20% of the amount of the
25 basic QTI Refunds with High Impact Sector bonuses at the 115%
26 salary level (20% of \$990,000, or \$1,000 for each of 198 new jobs,
27 for a total City contribution of \$198,000) granted to the Company
28 as the City's "local financial support", while the State of Florida
29 provides 80% of the QTI Refunds at the 115% salary level with High
30 Impact Sector bonuses; and

31 **WHEREAS**, a combined City and State grant of up to \$5,000 per

1 job in QTI Refunds (of which \$3,000 are QTI refunds at the 115%
2 salary level, and \$2,000 are High Impact Sector bonuses) is a pre-
3 condition essential to the willingness and ability of the Company
4 to expand its business in Jacksonville; and

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

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

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

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

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

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

26 (b) The location of the Company's project in Jacksonville,
27 Florida, ("Project") is more particularly described in the Economic
28 Development Agreement. The Project will promote and further the
29 public and municipal purposes of the City.

30 (c) Enhancement of the City's tax base and revenues, are
31 matters of State and City policy and State and City concern in order

1 that the State and its counties and municipalities, including the
2 City, shall not continue to be endangered by unemployment,
3 underemployment, economic recession, poverty, crime and disease, and
4 consume an excessive proportion of the State and City revenues
5 because of the extra services required for police, fire, accident,
6 health care, elderly care, charity care, hospitalization, public
7 housing and housing assistance, and other forms of public
8 protection, services and facilities.

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

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

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

25 (g) The authorizations provided by this Resolution are for
26 public uses and purposes for which the City may use its powers as a
27 county, municipality and as a political subdivision of the State of
28 Florida and may expend public funds, and the necessity in the public
29 interest for the provisions herein enacted is hereby declared as a
30 matter of legislative determination.

31 (h) This Resolution is adopted pursuant to the provisions of

1 Chapters 163, 166 and 125, Florida Statutes, as amended, the City's
2 Charter, and other applicable provisions of law.

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

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

1 **Section 3. QTI Local Financial Support Approved.** By this
2 Resolution, the City is authorized and directed to provide "local
3 financial support," as defined in Section 288.106, Florida
4 Statutes, in the aggregate amount of up to \$198,000 or 20% of the
5 amount of the basic QTI Refunds at the 115% salary level with High
6 Impact Sector bonuses granted to the Company by the State,
7 whichever is less. Such local financial support shall be made
8 available in the amount of up to \$1,000 per new job for up to 198
9 new jobs created by the Company in connection with the Project. The
10 funding for such local financial support will be made available by
11 future appropriation of the Council over the time period described
12 in the guidelines referenced in the heading of this Resolution if
13 such new jobs are created.

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

29 **Section 5. Further Authorizations.** The Mayor, or his
30 designee, and the Corporation Secretary, are hereby authorized to
31 execute the Agreement and all other contracts and documents and

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

12 **Section 6. Oversight Department.** The OED shall oversee the
13 project described herein.

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

23 **Section 8. Public Investment Policy.** This Resolution conforms
24 to the guidelines provided in the Public Investment Policy adopted
25 by City Council Ordinance 2016-382-E.

26 **Section 9. Requesting Two Reading Passage Pursuant to Council**
27 **Rule 3.305.** Two reading passage of this legislation is requested
28 pursuant to Council Rule 3.305.

29 **Section 10. Effective Date.** This Resolution shall become
30 effective upon signature by the Mayor or upon becoming effective
31 without the Mayor's signature.

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2 Form Approved:

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4 /s/ John Sawyer

5 Office of General Counsel

6 Legislation prepared by: John Sawyer

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