

1 Introduced by the Council President at the request of the Mayor:
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4 **RESOLUTION 2022-716-A**

5 A RESOLUTION MAKING CERTAIN FINDINGS, AND
6 APPROVING AND AUTHORIZING THE EXECUTION OF AN
7 ECONOMIC DEVELOPMENT AGREEMENT ("AGREEMENT")
8 BETWEEN THE CITY OF JACKSONVILLE ("CITY") AND
9 JAX LNG, LLC ("COMPANY"), TO SUPPORT THE
10 EXPANSION OF ITS EXISTING LIQUEFIED NATURAL GAS
11 FACILITY LOCATED GENERALLY AT 9225 DAMES POINT
12 ROAD IN THE CITY ("PROJECT"); AUTHORIZING A
13 \$5,300,000 RECAPTURE ENHANCED VALUE PROGRAM
14 GRANT ("REV GRANT"); APPROVING AND AUTHORIZING
15 THE EXECUTION OF DOCUMENTS BY THE MAYOR, OR HIS
16 DESIGNEE, AND CORPORATION SECRETARY;
17 AUTHORIZING APPROVAL OF TECHNICAL AMENDMENTS BY
18 THE EXECUTIVE DIRECTOR OF THE OFFICE OF ECONOMIC
19 DEVELOPMENT ("OED"); PROVIDING FOR OVERSIGHT BY
20 THE OED; PROVIDING A DEADLINE FOR THE COMPANY TO
21 EXECUTE THE AGREEMENT; AFFIRMING THE PROJECT'S
22 COMPLIANCE WITH THE PUBLIC INVESTMENT POLICY
23 ADOPTED BY ORDINANCE 2022-372-E; REQUESTING TWO-
24 READING PASSAGE PURSUANT TO COUNCIL RULE 3.305;
25 PROVIDING AN EFFECTIVE DATE.

26
27 **WHEREAS**, JAX LNG, LLC (the "Company") has committed to expand
28 its existing natural gas liquefaction and storage facility, with an
29 anticipated private capital investment of \$113,000,000, and to create
30 10 permanent full-time equivalent new jobs in Jacksonville with an
31 average salary, exclusive of benefits, of approximately \$70,000 per

1 annum by December 31, 2027, all as further described in the Project
2 Summary attached hereto as **Exhibit 1** and incorporated herein by this
3 reference; and

4 **WHEREAS**, such average salary is greater than or equal to 100%
5 of the private-sector wage in the State of Florida effective as of
6 January 1, 2022; and

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

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

19 **WHEREAS**, the Company has requested the City to enter into an
20 agreement in substantially the form placed **On File** with the Office
21 of Legislative Services; now therefore,

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

23 **Section 1. Findings.** It is hereby ascertained, determined,
24 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, is more particularly described in the Agreement. The Project
28 will promote and further the public and municipal purposes of the
29 City.

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

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

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

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

19 (f) The authorizations provided by this Resolution are for
20 public uses and purposes for which the City may use its powers as a
21 county, municipality and as a political subdivision of the State of
22 Florida and may expend public funds, and the necessity in the public
23 interest for the provisions herein enacted is hereby declared as a
24 matter of legislative determination.

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

28 **Section 2. Payment of REV Grant.**

29 (a) The REV Grant shall not be deemed to constitute a debt,
30 liability, or obligation of the City or of the State of Florida or
31 any political subdivision thereof within the meaning of any

1 constitutional or statutory limitation, or a pledge of the faith and
2 credit or taxing power of the City or of the State of Florida or any
3 constitutional or any political subdivision thereof but shall be
4 payable solely from the funds provided therefor as provided in this
5 Section. The Agreement shall contain a statement of the effect that
6 the City shall not be obligated to pay any installment of its
7 financial assistance to the Company except from the non-ad valorem
8 revenues or other legally available funds provided for that purpose,
9 that neither the faith and credit nor the taxing power of the City
10 or of the State of Florida or any political subdivision thereof is
11 pledged to the payment of any portion of such financial assistance,
12 and that the Company, or any person, firm or entity claiming by,
13 through or under the Company, or any other person whomsoever, shall
14 never have any right, directly or indirectly, to compel the exercise
15 of the ad valorem taxing power of the City or of the State of Florida
16 or any political subdivision thereof for the payment of any portion
17 of such financial assistance.

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

21 **Section 3. Economic Development Agreement Approved.** There is
22 hereby approved, and the Mayor and Corporation Secretary are
23 authorized to execute and deliver, for and on behalf of the City, an
24 agreement between the City and the Company, substantially in the form
25 placed **On File** with the Office of Legislative Services (with such
26 "technical" changes as herein authorized), for the purpose of
27 implementing the recommendations of the OED, as are further described
28 in the Project Summary attached hereto as **Exhibit 1**.

29 The Agreement may include such additions, deletions and changes
30 as may be reasonable, necessary and incidental for carrying out the
31 purposes thereof, as may be acceptable to the Mayor, or his designee,

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

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 and
17 documents and furnishing such information, data and documents for the
18 Agreement and related documents as may be required and otherwise to
19 act 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 authorizations
22 and to furnish or cause to be furnished such information and take or
23 cause to be taken such action as may be necessary to enable the City
24 to implement the Agreement according to its terms. The OED is hereby
25 required to administer and monitor the Agreement and to handle the
26 City's responsibilities thereunder, including the City's
27 responsibilities under such Agreement working with and supported by
28 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 and deliver the Agreement and all other contracts and

1 documents and otherwise take all necessary action in connection
2 therewith and 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 3 hereof), and further provided that all such amendments
9 shall be subject to appropriate legal review and approval by the
10 General Counsel, or his or her designee, and all other appropriate
11 official action required by law.

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

14 **Section 7. Execution of Agreement.** If the Agreement
15 approved by this Resolution has not been signed by the Company within
16 ninety (90) days after the OED delivers or mails the unexecuted
17 Agreement to the Company for execution, then the City Council
18 approvals in this Resolution and authorization for the Mayor to
19 execute the Agreement are 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
24 conforms to the guidelines provided in the Public Investment Policy
25 adopted by City Council Ordinance 2022-372-E.

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

/s/ John Sawyer

Office of General Counsel

Legislation Prepared By: John Sawyer

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