

LEGISLATIVE FACT SHEET

DATE: 08/07/19

BT or RC No: _____
(Administration & City Council Bills)

SPONSOR: Downtown Investment Authority
(Department/Division/Agency/Council Member)

Contact for all inquiries and presentations: Downtown Investment Authority

Provide Name: Guy Parola, Operations Manager

Contact Number: 255-5305

Email Address: gparola@coj.net

PURPOSE: White Paper (Explain Why this legislation is necessary? Provide; Who, What, When, Where, How and the Impact.) Council Research will complete this form for Council introduced legislation and the Administration is responsible for all other legislation.

(Minimum of 350 words - Maximum of 1 page.)

Project Sharp is a major corporation whose business activities are in a designated target industry sector. Sharp is committing to retain 1216 existing jobs and is proposing to create 500 new jobs, at an average wage of \$85,000 by 6/30/29 in accordance with a schedule that would add 50 jobs per year beginning 6/30/20. Sharp will construct a new 300,000 square foot office building and associated structured parking within the Downtown Northbank Combined CRA at an estimated cost of \$145 million (combined land value, building values, and FF&E.) The legislation would authorize a QTI grant with a City share of \$1200/job for each of the 500 new jobs created or \$600,000, a Recaptured Enhanced Value Grant of 75% for 20 years with a maximum indebtedness of \$23,400,000 and a \$3.5 million City closing grant upon substantial completion of the improvements. This project has a positive ROI for the City of Jacksonville. The project was approved by the Board of the Downtown Investment Authority in Resolution 2018-08-01. Project Sharp has requested confidentiality as to its corporate identity and the location of the proposed new office building.

APPROPRIATION: Total Amount Appropriated: 0.00 as follows:

List the source name and provide Object and Subobject Numbers for each category listed below:

(Name of Fund as it will appear in title of legislation)

Name of Federal Funding Source(s)	From: _____	Amount: _____
	To: _____	Amount: _____

Name of State Funding Source(s):	From: _____	Amount: _____
	To: _____	Amount: _____
Name of City of Jacksonville Funding Source(s):	From: _____	Amount: _____
	To: _____	Amount: _____
Name of In-Kind Contribution(s):	From: _____	Amount: _____
	To: _____	Amount: _____
Name & Number of Bond Account(s):	From: _____	Amount: _____
	To: _____	Amount: _____

PLAIN LANGUAGE OF APPROPRIATION / FINANCIAL IMPACT / OTHER:

Explain: Where are the funds coming from, going to, how will the funds be used? Does the funding require a match? Is the funding for a specific time frame? Will there be an ongoing maintenance? ... and staffing obligation? Per Chapters 122 & 106 regarding funding of anticipated post-construction operation costs.

(Minimum of 350 words - Maximum of 1 page.)

1)The company is seeking public investment through the Qualified Target Industry (QTI) Tax Refund program. The Company qualifies for the High Impact Sector bonus. The QTI incentive proposed is \$6000 per job for 500 jobs. The city portion is 20% of the award, or \$1200 per job up to \$600,000 in total. The QTI award will be payable after the average wage and jobs created are verified by the Florida Department of Economic Opportunity over the proposed 10 year payout commencing in 2020. The company has committed to an average wage of \$85,000, in excess of the 115% of the average state wage requirement.

2) A City Recaptured Enhanced Value (REV) Grant will be provided. The REV grant will be equal to 75% of the increase in ad valorem taxes paid by the Company over the 20 years following completion of the improvements, but not later than 2043. The maximum REV Grant payout will be \$23.4 million, over 20 years. If the improvement value is less than \$145 million, the REV is reduced proportionately and if less than \$130 million the REV is forfeited.

3) A \$3.5 million City Closing Grant, consistent with the adopted Public Investment Policy, payable upon completion of the Improvements with a minimum value of \$130 million. The REV grant will be payable from Tax Increment District Funds.

ACTION ITEMS: Purpose / Check List. If "Yes" please provide detail by attaching justification, and code provisions for each.

ACTION ITEMS:

	Yes	No
Emergency?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Justification of Emergency: If yes, explanation must include detailed nature of emergency.

Federal or State
Mandate?

Explanation: If yes, explanation must include detailed nature of mandate including Statute or Provision.

Fiscal Year
Carryover?

Note: If yes, note must include explanation of all-year subfund carryover language.

CIP Amendment?

Attachment: If yes, attach appropriate CIP form(s). Include justification for mid-year amendment.

Contract / Agreement
Approval?

Attachment & Explanation: If yes, attach the Contract / Agreement and name of Department (and contact name) that will provide oversight. Indicate if negotiations are on-going and with whom. Has OGC reviewed / drafted?

Economic Development Agreement attached to legislation. The Downtown Investment Authority will provide oversight and administration.

Related RC/BT?

Attachment: If yes, attach appropriate RC/BT form(s).

Waiver of Code?

Code Reference: If yes, identify code section(s) in box below and provide detailed explanation (including impacts) within white paper.

Code Exception?

Code Reference: If yes, identify code in box below and provide detailed explanation (including impacts) within white paper.

Related Enacted
Ordinances?

Code Reference: If yes, identify related code section(s) and ordinance reference number in the box below and provide detailed explanation and any changes necessary within white paper.

ACTION ITEMS CONTINUED: Purpose / Check List. If "Yes" please provide detail by attaching justification, and code provisions for each.

ACTION ITEMS:

	Yes	No
Continuation of Grant?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Explanation: How will the funds be used? Does the funding require a match? Is the funding for a specific time frame and/or multi-year? If multi-year, note year of grant? Are there long-term implications for the General Fund?

Surplus Property Certification?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Reporting Requirements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Attachment: If yes, attach appropriate form(s).

Explanation: List agencies (including City Council / Auditor) to receive reports and frequency of reports, including when reports are due. Provide Department (include contact name and telephone number) responsible for generating reports.

Division Chief: _____
(signature)

Date: 8/7/2019

Prepared By: _____
(signature)

Date: 8/7/2019

ADMINISTRATIVE TRANSMITTAL

To: MBRC, c/o Roselyn Chall, Budget Office, St. James Suite 325

Thru: Lori Boyer, CEO, DIA

(Name, Job Title, Department)

Phone: 255-5301

E-mail: BoyerL@coj.net

From: Guy Parola, Operations Manager, DIA

Initiating Department Representative (Name, Job Title, Department)

Phone: 255-5305

E-mail: Gparola@COJ.net

Primary Contact: Guy Parola, Operations Manager, DIA

(Name, Job Title, Department)

Phone: 255-5305

E-mail: Gparola@COJ.net

CC: Jordan Elsbury, Director of Intergovernmental Affairs, Office of the Mayor

255-5013 E-mail: jelsbury@coj.net

COUNCIL MEMBER / INDEPENDENT AGENCY / CONSTITUTIONAL OFFICER TRANSMITTAL

To: Peggy Sidman, Office of General Counsel, St. James Suite 480

Phone: 904-255-5055

E-mail: psidman@coj.net

From: _____

Initiating Council Member / Independent Agency / Constitutional Officer

Phone: _____

E-mail: _____

Primary

Contact: _____
(Name, Job Title, Department)

Phone: _____

E-mail: _____

CC: _____

E-mail: _____

Legislation from Independent Agencies requires a resolution from the Independent Agency Board approving the legislation.

Independent Agency Action Item:

Yes

No

Boards Action / Resolution?

Attachment: If yes, attach appropriate documentation. If no, when is board action scheduled?

Resolution Attached

FACT SHEET IS REQUIRED BEFORE LEGISLATION IS INTRODUCED