

LEGISLATIVE FACT SHEET

DATE: 11/4/2019

BT or RC No: N/A

(Administration & City Council Bills)

SPONSOR: Office of Economic Development

(Department/Division/Agency/Council Member)

Contact for all inquiries and presentations: Office of Economic Development

Provide Name: Kirk WendlandEd Randolph Contact No: 255-5450 Email edr@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)

Eagle LNG Partners LLC, a Houston-based company, is evaluating the construction of a Liquefied Natural Gas (LNG) export facility, near JAXPORT's facilities, in north Jacksonville, versus another location in the Southeastern United States. A portion of the LNG produced by the proposed facility would be exported from Jacksonville to the Caribbean for power generation, marine fueling, and other domestic LNG needs. The company currently has a LNG operation on the west side of Jacksonville. The proposed facility would be located on approximately 200 acres on Zoo Parkway, along the St. Johns River.

The capital investment for the project would include \$58 million in new facilities and other real estate development costs, and approximately \$484 million in new manufacturing equipment. Eagle LNG, classified as a target industry business (Advanced Manufacturing), would hire 12 full-time employees paying an average wage of \$85,000. The City is proposing to award Eagle LNG a 50%, 10 year, Recapture of Enhanced Value (REV) Grant capped at \$23 million, to encourage the construction of the facility in Jacksonville. This incentive will help offset the financial obligations the company took on, as a result of unexpected delays by various federal government permitting agencies, for the Zoo Parkway site. The company has stated that City of Jacksonville incentives is a material factor in its decision to add another facility in Jacksonville.

APPROPRIATION: Total Amount Appropriated 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 the title of the legislation)

Name of Federal Funding Source(s)

From: _____ Amount: _____

To: _____ Amount: _____

Name of State Funding Source(s)

From: _____ Amount: _____

To: _____ Amount: _____

Name of COJ Funding Source(s)

From: Amount:

To: Amount:

Name of In-Kind Contributions:

From: _____ Amount: _____

To: _____ Amount: _____

Name & No. 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 ongoing maintenance and staffing obligation? Per Chapter 122 & 106 regarding funding of anticipated post-construction operation costs. (Minimum of 350 words – maximum of 1 page.)

A City Recapture of Enhanced Value (REV) Grant will be provided. The REV Grant will be a refund of 50 percent of the increase in ad valorem taxes paid by the company, over the first 10 years of operation. The maximum amount of the REV Grant will be \$23 million.

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

ACTION ITEMS:

Emergency? Yes _____ No **X** _____

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

Federal or State Mandate? Yes _____ No **X** _____

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

Fiscal Year Carryover? Yes _____ No **X** _____

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

CIP Amendment? Yes ___ No **X** _____

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

Contract/Agreement Approval? Yes _____ No **X** _____

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

Related RC/BT? Yes **X** ___ No X _____ If yes, attach appropriate RC/BT form(s)

Waiver of Code? Yes _____ No **X** _____

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

Code Exception: Yes _____ No **X** _____

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

Related Enacted Ordinances? Yes _____ No **X** _____

Code Reference: If yes, identify related code section(s) and ORD reference number in the space below & provide detailed explanation and any changes necessary within whitepaper.

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

ACTION ITEMS:

Continuation of Grant? Yes _____ No **X** _____

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? Yes _____ No **X** _____ Attachment: If yes, attach appropriate form(s)

Reporting Requirements? Yes _____ No **X** _____

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

Division Chief: _____
(Signature)

Date: _____

Prepared By: _____
(Signature)

Date: _____

ADMINISTRATIVE TRANSMITTAL

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

Thru: N/A
(Name, Job Title, Department)

From: Kirk Wendland, Executive Director, Office of Economic Development (OED)
Initiating Department Representative (Name, Job Title, Department)

Phone: 255-5445 E-Mail: kwendland@coj.net

Primary Contact: Ed Randolph, Director of Business Development OED
(Name, Job Title, Department)

Phone: 255-5450 E-Mail: edr@coj.net

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

Phone: 255-5013 E-Mail: jelsbury@coj.net

COUNCIL MEMBER/INDEPENDENT AGENCY/CONSTITUTIONAL OFFICER TRANSMITTAL

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

Phone: 255-5055 E-Mail: psidman@coj.net

From: N/A
Initiating Council Member/Independent Agency/Constitutional Officer

Phone: _____ E-Mail: _____

Primary Contact: N/A
(Name, Job Title, Department)

Phone: _____ E-Mail: _____

CC: Jordan Elsbury, Director of Intergovernmental Affairs, Office of the Mayor
Phone: 255-5013 E-Mail: paulc@coj.net

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

Independent Agency Action Item:

Board(s) Action/Resolution? Yes _____ No **X** _____

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

FACT SHEET IS REQUIRED BEFORE LEGISLATION IS INTRODUCED