

**CITY COUNCIL RESEARCH DIVISION
LEGISLATIVE SUMMARY**



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Bill Type and Number: Resolution 2020-259

Introducer/Sponsor(s): Council President at the request of the Mayor

Date of Introduction: May 12, 2020

Committee(s) of Reference: F

Date of Analysis: May 14, 2020

Type of Action: Approval of economic development agreement; City commitment to QTI local match; designation of oversight agency; establishment of document execution deadline; declaration of conformance with the City's Public Investment Policy

Bill Summary: The bill approves an economic development agreement between the City and Project Cyclone (corporate identity temporarily confidential) for expansion of the company's existing operations in Jacksonville and the creation of 100 new full-time jobs. It provides the City's commitment to a local Qualified Targeted Industry match of \$100,000 to the project and designates the Office of Economic Development as the City's oversight agency for the project. The bill requires that the agreement be executed by the company within 90 days after it is transmitted by the City to the company or the agreement becomes null and void, unless extended by the Executive Director of the Office of Economic Development. The bill declares that the proposed incentive conforms to the provisions of the City's Public Investment Policy.

Background Information: Project Cyclone is a leading international transportation and logistics company with a presence in Jacksonville that is considering expanding its workforce here. In addition to Jacksonville, a few other cities are under consideration for the proposed expansion. If Jacksonville is selected, the company proposes to create a minimum of 100 new full-time jobs that would qualify for the QTI program by the end of 2021. The average annual wage of those jobs would be \$60,000, plus benefits, and qualify for a \$5,000 per job Qualified Targeted Industry (QTI) award. In addition, the company projects to create approximately 375 additional jobs at lower wage levels not covered by the QTI incentive. The project has an estimated return on investment of \$9.73 for each \$1 invested by the City of Jacksonville.

Policy Impact Area: Economic development

Fiscal Impact: The City commits to a local QTI match of \$100,000 (20%) to the state's \$400,000 investment (80%), payable over 5 years from the time the job creation is certified by the state, anticipated to begin in 2021.

Analyst: Clements