

LEGISLATIVE FACT SHEET

DATE: **4/6/2021**

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 Wendland, Executive Director** Contact No: **255-5455**

Email **kwendland@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)

The City Council approved Resolution 2019-844-A to support the construction of a new facility at 1632 Zoo Parkway to serve as a liquefied natural gas export facility.

The legislation approved a REV Grant based on an estimated \$542M in private capital investment and creation of 12 new jobs at an average wage of \$85,000 per year. This was a ten-year REV Grant (50% of the incremental increase in ad valorem taxes), capped at \$23,000,000. The Company must create at least 10 new jobs and invest a minimum of \$250M by the end of the performance schedule or the REV Grant would be terminated.

The Economic Development Agreement (EDA) dated January 22, 2020 required the Company to commence construction by June 30, 2020 and to complete construction of the infrastructure improvements by December 31, 2023. Amendment One to the EDA was signed on June 17, 2020. This technical amendment approved the following due to unanticipated construction delays resulting from the COVID-19 pandemic: 11 month extension to the construction commencement date, to May 31, 2021; 12 month extension to the construction completion date, to December 31, 2024; and 12 month extension to the job creation deadline, to December 31, 2024.

APPROPRIATION: Total Amount Appropriated \$0 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.)

Resolution 2019-844-A approved a REV Grant based on an estimated \$542M in private capital investment and creation of 12 new jobs at an average wage of \$85,000 per year. This was a ten-year REV Grant (50% of the incremental increase in ad valorem taxes), capped at \$23,000,000. The Company must create at least 10 new jobs and invest a minimum of \$250M by the end of the performance schedule or the REV Grant would be terminated. REV Grant funds are budgeted annually during the City's budget process.

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 **X** _____ No _____

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? OED will provide oversight and administration.

Related RC/BT? Yes _____ 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 **X**_____ No _____

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.

Resolution 2019-844-A

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.

Executive Director: _____


(Signature)

Date: _____

4/6/2021

Prepared By: _____


(Signature)

Date: _____

4/6/2021

ADMINISTRATIVE TRANSMITTAL

To: MBRC, c/o Jasmine Jordan, 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: 255-5455 E-Mail: kwendland@coj.net

Primary Contact: Kirk Wendland, Executive Director, Office of Economic Development (OED)
(Name, Job Title, Department)

Phone: 255-5455 E-Mail: kwendland@coj.net

CC: Leeann Krieg, Director of Intergovernmental Affairs, Office of the Mayor

Phone: 255-5015 E-Mail: leeannk@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: Leeann Krieg, Director of Intergovernmental Affairs, Office of the Mayor

Phone: 255-5015 E-Mail: leeannk@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



ONE CITY. ONE JACKSONVILLE.

City of Jacksonville, Florida

Lenny Curry, Mayor

City Hall at St. James
117 W. Duval St.
Jacksonville, FL 32202
(904) 630-CITY
www.coj.net

⑬ 4-12-2021

MEMORANDUM

TO: Brian Hughes, Chairman, MBRC
FROM: Kirk Wendland, Executive Director, Office of Economic Development
SUBJECT: Amendment Two for Eagle LNG Partners LLC
DATE: April 6, 2021

APPROVED BY:
MAYOR'S BUDGET
REVIEW COMMITTEE

DATE APR 12 2021
[Signature]

Attached please find a Project Summary and Legislative Fact Sheet for Eagle LNG Partners LLC. In 2019, the City Council approved Resolution 2019-844-A to support the construction of a new facility at 1632 Zoo Parkway to serve as a liquefied natural gas export facility.

The legislation authorized a ten-year REV Grant (50% of the incremental increase in ad valorem taxes), capped at \$23,000,000.

The Economic Development Agreement (EDA) dated January 22, 2020 required the Company to commence construction by June 30, 2020 and to complete construction of the infrastructure improvements by December 31, 2023. Amendment One to the EDA was signed on June 17, 2020. This technical amendment approved the following due to unanticipated construction delays resulting from the COVID-19 pandemic:

- 11 month extension to the construction commencement date, to May 31, 2021;
- 12 month extension to the construction completion date, to December 31, 2024; and
- 12 month extension to the job creation deadline, to December 31, 2024.

The Project has experienced further delays as the company continues to experience challenges related to the COVID-19 pandemic. As such, the Company has requested a second amendment to the EDA to extend the performance schedule by an additional 12 months. No payments have been made to the Company.

The Office of Economic Development (OED) respectfully requests authorization to introduce legislation to City Council for their consideration and authorize the Mayor to execute Amendment Two to the Economic Development Agreement (EDA).

MBRC's consideration of this request at their April 12, 2021 meeting is respectfully requested.

Should you have any questions, please contact me at your convenience.



ONE CITY. ONE JACKSONVILLE.

City of Jacksonville, Florida

Lenny Curry, Mayor

City Hall at St. James
117 W. Duval St.
Jacksonville, FL 32202
(904) 630-CITY
www.coj.net

Eagle LNG Partners LLC Amendment Two Summary April 6, 2021

Company:

Eagle LNG Partners LLC

Background:

In 2019, the City Council approved Resolution 2019-844-A to support the construction of a new facility at 1632 Zoo Parkway to serve as a liquefied natural gas export facility.

The legislation approved a REV Grant based on an estimated \$542M in private capital investment and creation of 12 new jobs at an average wage of \$85,000 per year. This was a ten-year REV Grant (50% of the incremental increase in ad valorem taxes), capped at \$23,000,000. The Company must create at least 10 new jobs and invest a minimum of \$250M by the end of the performance schedule or the REV Grant would be terminated.

The Economic Development Agreement (EDA) dated January 22, 2020 required the Company to commence construction by June 30, 2020 and to complete construction of the infrastructure improvements by December 31, 2023. Amendment One to the EDA was signed on June 17, 2020. This technical amendment approved the following due to unanticipated construction delays resulting from the COVID-19 pandemic:

- 11 month extension to the construction commencement date, to May 31, 2021;
- 12 month extension to the construction completion date, to December 31, 2024; and
- 12 month extension to the job creation deadline, to December 31, 2024.

Current Situation & Request

The Project has experienced further delays as the company continues to experience challenges related to the COVID-19 pandemic. As such, the Company has requested a second amendment to the EDA to extend the performance schedule by an additional 12 months. No payments have been made to the Company.