



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

Boeing Expansion at Cecil Airport Summary June 2, 2021

Company:

The Boeing Company

Background:

Boeing is a leading international aerospace company, manufacturing commercial jetliners, defense, space and security systems, and providing aftermarket support services. Boeing provides maintenance, repair, and operations (MRO) services, engineering, and training to the U.S. Department of Defense and other customers. Boeing has had a presence at Cecil Airport for over 20 years, providing support on multiple aircraft for the U.S. Navy and U.S. Air Force. It currently leases over 400,000 SF of building and hangar space on and near the Cecil Airport airfield.

Boeing issued a request for proposal (RFP) in June 2020 related to a possible expansion. The Jacksonville Aviation Authority, which owns the property where most of Boeing’s current facilities are, responded to the RFP. JAA’s RFP submittal included a proposal to construct and lease 373,802 square feet of new building infrastructure for a proposed expansion of Boeing’s Cecil operations, which will lead to 334 new jobs. The new facilities will include an 8-bay hangar and offices and shop space.

Boeing was evaluating sites in several other states for the proposed expansion. Boeing has stated that the City of Jacksonville’s financial incentive proposed is a material factor in its decision to expand their operations in Jacksonville.

The City is proposing to offer a \$425,000 Infrastructure Grant to go towards the \$3 Million in overall support infrastructure expenditures needed to help develop the 57-acre site. The infrastructure needs include the installation of stormwater drainage areas, fencing, and extension of new sewer, irrigation and electrical lines.

No. of Jobs To Be Created	Total Capital Investment	Intangibles
334 new jobs @ an average wage of \$65,000 plus benefits by Dec. 31, 2026.	Estimated to be up to \$116.5 million net, including \$3 million in new support infrastructure over the next 3 years.	Boeing’s expansion in Jacksonville will also cause growth in support industry businesses , resulting in the creation of new full-time jobs and adding to the local aviation and engineering base.

Project Rationale & Benefits:

1. Supporting Boeing's investment at Cecil Airport will expand Jacksonville's aviation manufacturing and maintenance base and will directly provide 334 new full-time jobs for engineers, mechanics, logisticians, warehouse receiving and shipping personnel, support staff and expand the commercial tax base.
2. The annual payroll resulting from the 334 new full-time jobs is \$21.7 million (excluding benefits).

Project Incentives:

The City of Jacksonville proposes to provide:

A \$425,000 Infrastructure Grant, provided that the private capital investment is not less than \$85 million and the company creates a required 334 jobs by the end of 2026.

Requested Waiver:

Although the City's Public Investment Policy (PIP) does not include a specific "Infrastructure Grant" program, the project's large capital investment and job creation elements meet the spirit and intent of many of the existing programs in the PIP. Due to the lack of a specific program in the PIP, we are requesting a waiver of the PIP.

The total amount of City incentives would be up to: \$425,000.

It is expected that the project will have a positive ROI for the City of Jacksonville of 1.02.