

CITY COUNCIL RESEARCH DIVISION LEGISLATIVE SUMMARY



JEFFREY R. CLEMENTS
Chief of Research
(904) 255-5137

117 West Duval Street
City Hall, Suite 425
Jacksonville, FL 32202
FAX (904) 255-5229

Bill Type and Number: Resolution 2021-375

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

Date of Introduction: June 22, 2021

Committee(s) of Reference: F, R

Date of Analysis: June 24, 2021

Type of Action: Authorizing economic development agreement; authorizing infrastructure grant; designation of oversight agency; Public Investment Policy waiver; one-cycle fast track approval

Bill Summary: The bill authorizes execution of an economic development agreement between the City and the Boeing Company for the expansion of the company's existing facility in Jacksonville. It authorizes an infrastructure grant of up to \$425,000 payable in two installments following completion of certain actions. It designates the Office of Economic Development as the City's oversight agency for the project. The bill waives a portion of the City's Public Investment Policy to permit the infrastructure grant, which is not authorized by the PIP. One-cycle fast track approval on second reading is requested.

Background Information: The Boeing Company is a world leader in the manufacture and maintenance of commercial and military aircraft. The company has operated a 400,000 square foot maintenance and support facility at Cecil Airport for over 20 years servicing U.S. Navy and Air Force jets. The company proposes to lease a newly constructed hangar from the Jacksonville Aviation Authority to expand its operations at Cecil Airport, creating 334 new full-time jobs. The City is proposing to contribute \$425,000 to the project in the form of an infrastructure grant to help pay for electric service, sewer lines, drainage facilities and irrigation lines for development of the 57-acre site. The grant will be payable in two annual installments after the construction of the new facility and the creation of at least 334 new full-time jobs by December 31, 2026. The Public Investment Policy is being waived to grant an incentive not currently offered in the PIP; the bill states that the capital investment and job creation meet the spirit and intent of the PIP. The Office of Economic Development calculates a return on investment to the City of 0.49.

Policy Impact Area: Economic development

Fiscal Impact: The bill authorizes an infrastructure grant of \$425,000.

Analyst: Clements