

LEGISLATIVE FACT SHEET

DATE: 03/07/17

BT or RC No: _____
(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: Ed Randolph, Director of Business Development Operations

Contact Number: 630-1185

Email Address: edr@coi.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.)

Project Avalanche is evaluating an expansion of its existing corporate headquarters facility located within the Southeast area of Jacksonville. Avalanche provides IT services for the healthcare industry, in the United States. The company is evaluating adding 250 high wage target industry jobs in Jacksonville versus two other U.S. cities, where they have existing facilities. Avalanche is proposing to retain over 300 jobs and add 250 new jobs no later than 2021. The average wage of the proposed new jobs is \$70,000 per year, plus benefits. The private capital investment to support the expansion and proposed new jobs totals approximately \$12.1 million. Tenant improvements, purchases of IT equipment, furniture and fixtures comprise the capital investment. Avalanche is a high-impact target industry business (Professional and Technical Services) and corporate headquarters. The professional services/IT jobs being created will pay an average wage of 150% of the State of Florida average. The company has stated that the combination of State of Florida and City of Jacksonville incentives is a material factor in its decision to expand its operation in Jacksonville, Florida.

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 title of legislation)

Name of Federal Funding Source(s)	From: _____	Amount: _____
	To: _____	Amount: _____
Name of State Funding Source(s):	From: _____	Amount: _____
	To: _____	Amount: _____
Name of City of Jacksonville Funding Source(s):	From: _____	Amount: _____
	To: _____	Amount: _____
Name of In-Kind Contribution(s):	From: _____	Amount: _____
	To: _____	Amount: _____

Name & Number 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 an ongoing maintenance? ... and staffing obligation? Per Chapters 122 & 106 regarding funding of anticipated post-construction operation costs.

(Minimum of 350 words - Maximum of 1 page.)

Avalanche is seeking public investment through the State of Florida Qualified Target Industry Program. The proposed QTI Tax Refund Program incentive is \$6,000 per job totaling up to \$1,500,000. The QTI award at 150% Florida Average Wage is \$4,000 per job. The High-Impact Industry Bonus is \$2,000 per job. The State of Florida portion of the award is 80% up to \$1,200,000 (\$4,800 per job). The City portion of the QTI Award is 20% up to \$300,000 (\$1,200 per job). The QTI award will be payable after the average wage and jobs created are verified by the Florida Department of Economic Opportunity over the proposed five year payout, beginning in 2020. Additionally, the State of Florida proposes to provide a Florida Flex Training Grant (FFTG) of approximately \$1,500 per job totaling up to \$375,000 to support Avalanche at no cost to the City. The private capital investment to support the creallon of the new jobs is \$12.1 million. The county portion of ad valorem taxes generated from the new private capital investment is greater than the City's QTI payment obligation. The project generates a positive ROI for the City of Jacksonville.

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

ACTION ITEMS:

Emergency? Yes No

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

Federal or State Mandate? Yes No

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

Fiscal Year Carryover?

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

CIP Amendment?

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

Contract / Agreement Approval?

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

Office of Economic Development to provide oversight and administration.

Related RC/BT?

Attachment: If yes, attach appropriate RC/BT form(s).

Waiver of Code?

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

Code Exception?

Code Reference: If yes, identify code in box below and provide detailed explanation (including impacts) within white paper.

Related Enacted Ordinances?

Code Reference: If yes, identify related code section(s) and ordinance reference number in the box below and provide detailed explanation and any changes necessary within white paper.

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

ACTION ITEMS:

	Yes	No
Continuation of Grant?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Reporting Requirements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Attachment: If yes, attach appropriate form(s).

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

Division Chief: /s/ Ed Randolph
(signature)

Prepared By: /s/ Ed Randolph
(signature)

Date: 3/7/2017

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ADMINISTRATIVE TRANSMITTAL

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

Thru: Sam Mousa, Chief Administrative Officer, Mayors Office, Fourth Floor, City Hall at St. James
(Name, Job Title, Department)
Phone: _____ E-mail: _____

From: Kirk Wendland, Executive Director, Office of Economic Development (OED)
Initiating Department Representative (Name, Job Title, Department)
Phone: 630-2455 E-mail: kwendland@coj.net

Primary Contact: Ed Randolph, Director of Business Development Operations, Office of Economic Development
(Name, Job Title, Department)
Phone: 630-1185 E-mail: edr@coj.net

CC: Allison Korman Shelton, Director of Intergovernmental Affairs, Office of the Mayor
904-630-1825 E-mail: akshelton@coj.net

COUNCIL MEMBER / INDEPENDENT AGENCY / CONSTITUTIONAL OFFICER TRANSMITTAL

To: Peggy Sidman, Office of General Counsel, St. James Suite 480
Phone: 904-630-4647 E-mail: psidman@coj.net

From: _____
Initiating Council Member / Independent Agency / Constitutional Officer
Phone: _____ E-mail: _____

Primary Contact: _____
(Name, Job Title, Department)
Phone: _____ E-mail: _____

CC: Allison Korman Shelton, Director of Intergovernmental Affairs, Office of the Mayor
904-630-1825 E-mail: akshelton@coj.net

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

Independent Agency Action Item:

Yes No

Boards Action / Resolution?

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

FACT SHEET IS REQUIRED BEFORE LEGISLATION IS INTRODUCED