

LEGISLATIVE FACT SHEET

DATE: 05/17/17

BT or RC No: _____
(Administration & City Council Bills)

SPONSOR: Office of Economic Development
(Department/Division/Agency/Council Member)

Contact for all inquiries and presentation: Office of Economic Development

Provide Name: Ed Randolph, Director of Business Development Operations

Contact Number: 630-1185

Email Address: edr@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.)

Macquarie Holdings USA, Inc. is evaluating an expansion of its existing Jacksonville corporate services facility located on the South Bank of downtown within Riverplace Tower. The new Corporate Operations Group provides human resource and business services to the global Macquarie Group Limited. The company is evaluating adding 50 high wage target industry jobs in Jacksonville versus Gurugram, India (the financial and technology hub of Northern India) for this new business unit. Macquarie located a finance and accounting shared services facility in Jacksonville in 2015 which currently employs 102 persons at an average wage of \$64,356. They are on track to create up to 123 new jobs by December 31, 2017. The proposed Corporate Operations Group currently evaluating Jacksonville is proposing to create up to 50 new jobs no later than December 31, 2018. The average wage of the proposed new jobs is \$55,720 per year, plus benefits. The private capital investment to support the expansion and proposed new jobs totals approximately \$1.7 million. Tenant improvements, purchases of IT equipment, furniture and fixtures comprise the capital investment. Macquarie Group Limited is a global target industry business (Finance and International Banking). The company has stated that the combination of State of Florida and City of Jacksonville QTI Incentive 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.)

Macquarie is seeking public investment through the State of Florida Qualified Target Industry Program. The proposed QTI Tax Refund Program incentive is \$5,000 per job totaling up to \$250,000. The QTI award at 115% Florida Average Wage and a High Impact sector business, is \$5,000 per job. The State of Florida portion of the award is 80% up to \$200,000 (\$4,000 per job). The City portion of the QTI Award is 20% up to \$50,000 (\$1,000 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 four year payout, beginning in 2018. Annual payroll generated for the new jobs is \$2.7 million per year without benefits. The private capital investment to support the creation of the new jobs is \$1.7 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? Yes No

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

CIP Amendment? Yes No

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?

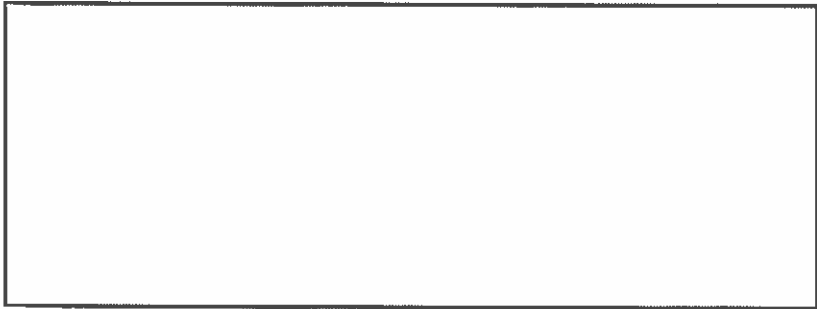
Explanation: How will the funds be used? Does the funding require a match? Is the funding for a specific time frame and/or multi-year? If multi-year, note year of grant? Are there long-term implications for the General Fund?

Surplus Property Certification?

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

Reporting Requirements?

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)

Date: 5/17/2017

Prepared By: /s/ Ed Randolph

(signature)

Date: 5/17/2017

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:

Boards Action / Resolution? Yes No

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

FACT SHEET IS REQUIRED BEFORE LEGISLATION IS INTRODUCED