

4/15/16

Office of Economic Development
Proposed Local Program Comparison
Draft PIP

Program	Status	Description
Countywide Programs		
Recaptured Enhanced Value (REV) Grant	Existing - Modified	Utilizing a "base year" assessed property value (from the Property Appraiser's database) for the project, a certain percentage of the city's portion of the incremental increase in ad valorem taxes on real and/or tangible personal property paid by the project above the base year amount is available as a REV grant to incent the project (the "increment").
Industrial Revenue Bond (IRB)	Existing - No Change	A financing tool, similar to a loan, used to help companies build or buy a facility or buy land and/or equipment. The OED is the designated conduit issuer of IRBs in Jacksonville. Designated IRB issuers, such as the OED, issue the bonds but do not make the loan. The investor buying the bond makes the loan. Companies applying for IRBs must find their own bond purchaser. There is no financial obligation from the City.
Disabled Veterans Hiring Bonus	New	This program is intended for the hiring of disabled veterans and is coupled with other programs.
Local Training Grant	New	A grant used as a tool to assist companies in training their employees to meet specific needs of the company and complement CareerSource, Duval County Public Schools and private sector programs.
Closing Fund	New	This grant would be a discretionary fund that would complement other components of a large project in order to fill a funding short fall and make Jax more competitive with other cities.
Frequently used State of Florida Programs		
Qualified Targeted Industry (QTI)	Existing - No Change	A tool available to encourage quality job growth in targeted high value-added businesses. Dependent on number of jobs, industry category, and wage levels.
Quick Action Closing Fund (QACF)	Existing - No Change	Provides a discretionary grant to close a competitive gap for projects creating jobs and investment. Subject to Florida leadership and Cabinet approval. Funding has been eliminated for FY 2017.
Florida Flex Grant Program	Existing - Modified (Renamed)	Provides grant funds for customized training for new and existing/expanding businesses that are creating new high-quality jobs. Formerly known as the Quick Response Training (QRT) grant.
High-Impact Performance Incentive (HIPI)	Existing - No Change	Negotiated incentive used to attract and grow major high impact facilities in Florida in the following sectors: clean energy, corporate headquarters, financial services, life sciences, semiconductors, and transportation equipment manufacturing.
Capital Investment Tax Credit (CITC)	Existing - No Change	This credit toward taxes due is designed to aid the company in reducing and managing significant capital expenditures.
Economic Development Transportation Fund (Road Fund)	Existing - No Change	An FDOT grant designed to offset transportation improvements in a project area.
Qualified Defense Contractors (QDC)	Deleted	Program is currently not funded by the State - no applications are being accepted.
Non Ad Valorem Enterprise Zone Public Investment	Deleted	Enterprise Zone program sunset on 12/31/2015 by the State.
Sales and Use Tax Exemptions on Machinery and Equipment	Deleted	Sales and use tax on machinery and equipment has been statutorily eliminated.
Sales Tax Exemption on Electricity Used in Manufacturing Process	Deleted	Program taken out of proposed PIP because no approvals are required - incentive is "by-right."
Federal Empowerment Zone Public Investments	Deleted	Empowerment Zone program sunset on 12/31/2014 by the Federal government.
Economically Distressed Areas Programs		
Recaptured Enhanced Value (REV) Grant	Existing - Modified	Utilizing a "base year" assessed property value (from the Property Appraiser's database) for the project, a certain percentage of the city's portion of the incremental increase in ad valorem taxes on real and/or tangible personal property paid by the project above the base year amount is available as a REV grant to incent the project (the "increment").
Tax Increment District (TID) Infrastructure Development	Existing - Modified	Designed to attract economic development to the five Community Redevelopment Areas (CRAs) in the City by providing infrastructure improvements to create opportunities for businesses that will create new jobs and increase the tax base within the CRA. The five CRAs are: the JIA CRA, the KingSoutel CRA, the Downtown Northbank CRA, the Downtown Southbank CRA and the Arlington CRA.
Commercial Development Area Program	New	Designed to retain and attract businesses in commercial corridors located in economically distressed areas, and/or designated CRAs (exclusive of Downtown) by providing loans to finance the purchase of machinery and equipment and/or leasehold improvements.
Façade Renovation Grant Program	New	Designed to provide commercial or retail façade renovation funding assistance for existing businesses in targeted areas - helping to reduce blight and create positive momentum toward community redevelopment.
Local QTI Bonus	New	Proposed to attract greater private sector investment; to expand the opportunity for individuals in economically distressed areas to gain high wage employment; and lower the overall unemployment rate in Duval County by providing jobs at a wage level that is rarely available in these areas of the community.
Economically Distressed Area Targeted Industry Program	New	Proposed to attract greater private sector investment; to expand the opportunity for individuals in economically distressed areas to gain employment; and lower the overall unemployment rate in Duval County by providing jobs at a wage level commensurate with skill and education/training levels.
Enterprise Zone QTI Bonus	Deleted	Enterprise Zone program sunset on 12/31/15 by the State.
Northwest Jacksonville Programs		
Business Infrastructure Grant/Loan (BIG)	Existing - No Change	Designed to attract economic development to the Northwest Jacksonville area by providing access to capital for infrastructure improvements to commercial businesses that increase the tax base.
Large Scale Economic Development Fund	Existing - No Change	Targets commercial projects in Northwest Jacksonville that add to the tax base, project new employment in excess of 50 persons or makes a significant economic impact within a targeted area.
Small Business Development Initiative (SBDI)	Existing - No Change	Established to stimulate small business investment within the defined Northwest Jacksonville targeted area of the city, increase the tax base in that area and create access to jobs for area residents. Provides a combined funding source with private capital investment.



Program	Status	Description
DIA - Downtown Incentives		
Downtown Historic Preservation and Revitalization Trust Fund	Existing - No Change	The intent of the Downtown Historic Preservation Trust Fund is to foster the preservation and reuse of unoccupied, underutilized and deteriorating historic buildings located in downtown Jacksonville. The project must be located within the Jacksonville Downtown Area boundary and must be a locally designated historic landmark or a contributing structure within a local historic district
Retail Enhancement Program	Existing - No Change	The Downtown Retail Enhancement Grant Program (the "Program") is designed to create momentum in the critical task of recruiting and retaining restaurant and retail businesses and creative office space in the Northbank Core Retail Enhancement Area. The project must be consistent with the Downtown Master Plan and the Downtown Overlay Zone. The program provides up to \$20 per square foot of retail space for tenant improvement costs.
Multi Family REV Grant (Workforce Housing)	New	The Multifamily Housing REV grant provides ad valorem tax "rebate" for a new construction (or non-historic building rehabilitation into residential space) rental apartment units. The tax rebate is for a percentage of the incremental ad valorem taxes generated by the project for a period of up to 15 years. The amount of the rebate percentage is based upon the characteristics of the project, with workforce housing development being a key qualifying factor.
Market Rate Multi Family REV Grant	New	The Multifamily Housing REV grant provides ad valorem tax "rebate" for a new construction (or non-historic building rehabilitation into residential space) rental apartment units. The tax rebate is for a percentage of the incremental ad valorem taxes generated by the project for a period of up to 15 years. The amount of the rebate percentage is based upon the characteristics of the project, with provision of amenities and the amount of retail space "mixed" into the project being a key qualifying factors.
Commercial Revitalization Program	New	The CRP, as detailed in the DIA Business Investment & Development Strategy, would provide a recovery of the incremental ad valorem tax stem from tenant improvements, paid for by a tenant. As opposed to a REV Grant, where the recovery of ad valorem taxes is paid to the property owner, the CRP recoveries are paid directly to the Lessor of the property. CRP recovery agreements can be for periods of 3-5 years, and have a maximum recovery percentage of 75% of the tax increment (the rate slides down to 50% in years 4 and 5).
Downtown Residential Rental Incentive Program	New- Unfunded	The RRIP provides a subsidy to the renters of housing units in Downtown, by making a cash payment to the owner/operator of a qualifying development, for the rental of a unit to a qualified household. Subsidy would be approved fro 12 months with 2 one year extensions for a maximum of 3 years.
Downtown Down-Payment Assistance Program (DPA)	New- Unfunded	Provides Down Payment Assistance to potential home owners for purchasing a primary residence in Downtown Jacksonville (Within the Downtown Northbank or Southside CRA). To qualify for the DPA incentive program buyers would need to have household incomes < 150% AMI (currently \$66,450 for a household size of 1 for the Jacksonville MSA). Buyers would be eligible for up to \$20,000 in DPA; loans at 0.0% with no payment due and a twenty year term. The loans will have both Loan Repayment & Shared Equity DPA components.
Sale-Leaseback Incentive	New	The sale-leaseback incentive provides an alternative to a traditional arrangement whereby the DIA and its partners could pay for the development of a new build-to-suit facility or renovation of an existing building for a specific employer and charges a rental rate substantially below market rents. Under a sale-leaseback arrangement, the DIA would sell a build-to-suit facility to an investor-developer for an amount above construction cost. The DIA would receive a bonus cash payment from the investor who will own the building. In turn, the DIA would sign a long-term fixed lease (15-20 years) on the facility at a rate that would provide the investor-developer a market rate of return, which would then sub-lease to an employer for the same period at Downtown Jacksonville's rental rate.

