## Council Auditor's Office Review of QED Incentive Legislation

Date provided to Council Auditor   11/20/2019   Posted to City Council webpage   11/21/2019	Bill Number	2019-844	
Date provided to Council Auditor Posted to City Council webpage 11/21/2019  Eagle LNG Partners LLC  THREE Chasewood Technology Park 20445 State Hwy 249, Suite 250 Houston, TX 77070  Project Location 1632 Zoo Parkway Jacksonville, FL 32226  Incentives Provided Recapture Enhanced Value (REV) Grant - City 50% for 10 vrs.  Total City Incentives Provided S23,000,000  Number of Jobs to be Created Number of Jobs to be Retained Current New 12 Total Total  Current Section 9.2(a): In the event reporting requirements are not met in the time period specified in the Agreement, the City will be entitled to withhold the annual installment of the REV Grant, the REV Grant will be reduced proportionately, as follows: calculated on an annual basis utilizing the Company's annual Jobs Report, any shortfall in Permanent Jobs during that year will result in a payment. Section 9.2(a): In the event the Company fails to create 12 New Jobs at an average wage of no less than \$85,000 by December 31, 2023, the Company's annual Jobs Report, any shortfall in Permanent Jobs during that year will result in a proportionate reduction in that year REV Grant payment. Section 9.2(c): In the event the Company fails to create 12 New Jobs at an average wage of no less than \$85,000 by December 31, 2023, the Company's annual Jobs Report, any shortfall in Permanent Jobs during that year will result in a proportionate reduction in that year event endeaded or caused the investment of at less 1529,000,000 of private funding in the Project, the REV Grant that has been previously paid to the Company.	·		•
Posted to City Council webpage	One or Two Read Resolution		
Company Name   Eagle LNG Partners LLC			
THREE Chasewood Technology Park 20445 State Hwy 249, Saite 250 Houston, TX 77070  1632 Zoo Parkway Jacksonville, FL 32226  Incentives Provided Recapture Enhanced Value (REV) Grant - City 50% for 10 vrs.  S23,000,000  Article 4  Total City Incentives Provided S23,000,000  Number of Jobs to be Created Total 12  Total 12  Number of Jobs to be Retained  Current 8 New 12  Total 20  Total 20  Capital Investment S542,000,000  Articles 1.1, 3.1 & 5.1  Includes Clawback Language Section 9.2(a): In the event reporting requirements are not met in the time period specified in the Agreement, the City will be entitled to withhold the annual installment of the REV Grant, the REV Grant will be reduced proportionately, as follows: calculated on an annual basis utilizing the Company's annual Jobs Report, any shortfall in Permanent Jobs during that year will result in a proportionate reduction in that year's REV Grant payment. Section 9.2(c): In the event the Company fails to create 12 New Jobs at an average wage of no less than \$85,000 by December 31, 2023, the REV Grant will be reduced proportionately, as follows: calculated on an annual basis utilizing the Company's annual Jobs Report, any shortfall in Permanent Jobs during that year will result in a proportionate reduction in that year's REV Grant payment. Section 9.2(c): In the event the Company fails to create 12 New Jobs at an average wage of no less than \$85,000 by December 31, 2023, the REV Grant will be reminated, and the Company Section 9.2(c): In the event the Company will repay to the City the entire amount of the REV Grant that has been previously paid to the Company Section 9.2(c): In the tentire amount of the REV Grant that has been previously paid to the Company Section 9.2(c): In the tentire amount of the REV Grant that has been previously paid to the Company will repay to the City the entire amount of the REV Grant that has been previously paid to the Company in the Project, the REV Grant that has been previously paid to the Company in the Project, the REV Gran	Posted to City Council webpage	11/21/2019	
Project Location	Company Name	Eagle LNG Partners LLC	
Incentives Provided Recapture Enhanced Value (REV) Grant - City 50% for 10 vrs.  Total City Incentives Provided  Number of Jobs to be Created  Created by 12/31/23  Total  Total  Current  Rew 12  Total  Total  Current  Section 9.2(a): In the event reporting requirements are not met in the time period specified in the Agreement, the City will be entitled to withhold the annual installment of the REV Grant for any year during which any reporting requirements are not met. Section 9.2(b): In the event the Company fails to retain the 8 Existing Jobs for the length of the REV Grant will be reduced proportionately, as follows: calculated on an annual basis utilizing the Company's annual Jobs Report, any shortfall in Permanent Jobs during that year will result in a proportionate reduction in that year's REV Grant will be reduced average wage of no less than \$85,000 by December 31, 2023, the REV Grant will terminate and the Company fails to create 12 New Jobs at an average wage of no less than \$85,000 by December 31, 2023, the REV Grant will terminate and the Company has not invested or caused the investment of at least \$250,000,000 of private funding in the Project, the REV Grant that has been previously paid to the Company will repay to the City the entire amount of the REV Grant that has been previously paid to the Company will repay to the City the entire amount of the REV Grant that has been previously paid to the Company will repay to the City the entire amount of the REV Grant that has been previously paid to the Company will repay to the City the entire amount of the REV Grant that has been previously paid to the Company will repay to the City the entire amount of the REV Grant that has been previously paid to the Company will repay to the City the entire amount of the REV Grant that has been previously paid to the Company will repay to the City the entire amount of the REV Grant that has been previously paid to the Company will repay to the City the entire amount of the REV Grant that has been previously paid to	Address	20445 State Hwy 249, Suite 250	
Recapture Enhanced Value (REV) Grant - City 50% for 10 vrs.    S23,000,000	Project Location		
Recapture Enhanced Value (REV) Grant - City 50% for 10 vrs.    S23,000,000	Incentives Provided		
Number of Jobs to be Created  Created by 12/31/23  Total  Total  Number of Jobs to be Retained  Current  Rew 12  Total  Capital Investment  Section 9.2(a): In the event reporting requirements are not met in the time period specified in the Agreement, the City will be entitled to withhold the annual installment of the REV Grant will be reduced proportionately, as follows: calculated on an annual basis utilizing the Company's annual Jobs Report, any shortfall in Permanent Jobs during that year will result in a proportionate reduction in that year's REV Grant will section 9.2(c): In the event the Company fails to create 12 New Jobs at an average wage of no less than \$85,000 by December 31, 2023, the REV Grant will terminate and the Company will repay to the City the entire amount of the REV Grant that has been previously paid to the Company. Section 9.2(d): If by December 31, 2023, the Company some or caused the investment of at least \$250,000,000 of private funding in the Project, the REV Grant that has been previously paid to the Company.	Recapture Enhanced Value (REV) Grant - City	\$23,000,000	Article 4
Created by 12/31/23   12   12	Total City Incentives Provided	\$23,000,000	
Created by 12/31/23   12   12	Number of Jobs to be Created		Articles 1.3, 3.1 & 5.1
Number of Jobs to be Retained  Current  New 12 Total 20  Capital Investment Section 9.2(a): In the event reporting requirements are not met in the time period specified in the Agreement, the City will be entitled to withhold the annual installment of the REV Grant for any year during which any reporting requirements are not met. Section 9.2(b): In the event the Company fails to retain the 8 Existing Jobs for the length of the REV Grant, the REV Grant will be reduced proportionately, as follows: calculated on an annual basis utilizing the Company's annual Jobs Report, any shortfall in Permanent Jobs during that year will result in a proportionate reduction in that year's REV Grant payment. Section 9.2(c): In the event the Company fails to create 12 New Jobs at ar average wage of no less than \$85,000 by December 31, 2023, the REV Grant will terminate and the Company will repay to the City the entire amount of the REV Grant that has been previously paid to the Company. Section 9.2(d): If by December 31, 2023, the Company has not invested or caused the investment of at least \$250,000,000 of private funding in the Project, the REV Grant will be terminated, and the Company will repay to the City the entire amount of the REV Grant that has been previously paid to the Company will repay to the City the entire amount of the REV Grant that has been previously paid to the Company.		12	
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Records Retention/Audit Clause Yes 10.22	Includes Clawback Language	period specified in the Agreement, the City will be entitled to withhold the annual installment of the REV Grant for any year during which any reporting requirements are not met.  Section 9.2(b): In the event the Company fails to retain the 8 Existing Jobs for the length of the REV Grant, the REV Grant will be reduced proportionately, as follows: calculated on an annual basis utilizing the Company's annual Jobs Report, any shortfall in Permanent Jobs during that year will result in a proportionate reduction in that year's REV Grant payment.  Section 9.2(c): In the event the Company fails to create 12 New Jobs at an average wage of no less than \$85,000 by December 31, 2023, the REV Grant will terminate and the Company will repay to the City the entire amount of the REV Grant that has been previously paid to the Company. Section 9.2(d): If by December 31, 2023, the Company has not invested or caused the investment of at least \$250,000,000 of private funding in the Project, the REV Grant will be terminated, and the Company will repay to the City the entire amount of the REV Grant that has been	
	Records Retention/Audit Clause	Yes	10.22

## AMÉNDMENT:

Place revised Economic Development Agreement on file to:

- Strike references to retaining the 8 existing jobs throughout agreement
- Revise definition of permanent jobs to only include the 12 new jobs
- Revise the default provisions to
  - Strike the provision on retaining the 8 existing jobs;
  - Require the creation of at least 10 new jobs by December 31, 2023 or the REV Grant will terminate; and
  - Add a provision that for each year that the 12 new jobs are not retained, the Company will be ineligible for the following year's installment of the REV Grant
- Correct scriveners errors