

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

<b>Bill Number</b>	2019-844	
<b>One or Two Read Resolution</b>	Two	
<b>Date provided to Council Auditor</b>	11/20/2019	
<b>Posted to City Council webpage</b>	11/21/2019	
<b>Company Name</b>	Eagle LNG Partners LLC	
<b>Address</b>	THREE Chasewood Technology Park 20445 State Hwy 249, Suite 250 Houston, TX 77070	
<b>Project Location</b>	1632 Zoo Parkway Jacksonville, FL 32226	
<b>Incentives Provided</b>		
<b>Recapture Enhanced Value (REV) Grant - City 50% for 10 yrs.</b>	\$23,000,000	Article 4
<b>Total City Incentives Provided</b>	\$23,000,000	
<b>Number of Jobs to be Created</b>		Articles 1.3, 3.1 & 5.1
<b>Created by 12/31/23</b>	12	
<b>Total</b>	12	
<b>Number of Jobs to be Retained</b>		Article 5
<b>Current</b>	8	
<b>New</b>	12	
<b>Total</b>	20	
<b>Capital Investment</b>	\$542,000,000	Articles 1.1 & 1.3
<b>Includes Clawback Language</b>	<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>	
<b>Records Retention/Audit Clause</b>	Yes	10.22

**AMENDMENT:**

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 scrivener's errors