

**CITY COUNCIL RESEARCH DIVISION
LEGISLATIVE SUMMARY**



COLLEEN HAMPSEY
Research Assistant
(904) 255-5151

117 West Duval Street
City Hall, Suite 425
Jacksonville, FL 32202
FAX (904) 255-5229

Bill Type and Number: 2019-767

Introducer/Sponsor(s): Council President at the request of the Mayor

Date of Introduction: October 22, 2019

Committee(s) of Reference: F, NCSPHS, R

Date of Analysis: October 22, 2019

Type of Action: Appropriation, agreement authorization and designation of oversight agency

Bill Summary: This bill is an appropriation of \$750,000 from the Northwest Jacksonville Economic Development Fund to provide a grant to Saglo Development to assist in funding renovations to a vacant grocery store at 1020 N. Edgewood Avenue. The funds will allow for renovations of the premises for a new full-service grocery store tenant, Rowe's Supermarkets. The overall parcel has approximately 81,500 square feet of gross leasable area, approx. 49,000 SF of vacant space in an existing Shopping Center. The total site is nearly 19 acres with 475 parking spaces. The development agreement will include a claw-back equal to one-fifth of the \$750,000 (\$150,000) per year over the course of the five year period so as to ensure the project continues to operate as a grocery store. The Office of Economic Development will oversee the project.

Background Information: The purpose of this legislation is to provide funds to address census tract 118 in Northwest Jacksonville which has been designated a Food Desert by the USDA. The residents in this NW Jacksonville census tract have limited access to fresh foods, especially because the previous grocery store in the area closed two years ago. Developers have been hesitant to invest in this economically distressed area, so the City will provide grant funds (\$750,000) for the redevelopment of the property to ensure a full-service grocery store is operational in a location that has been vacant for two years. The City grant funded redevelopment will include furnishings, fixtures, capital improvements to the building and property. The developer Saglo's investment, coupled with the tenant Rowe's contribution will exceed \$3.5 million for interior improvements, tangible personal property and improvements to the exterior of the store. This project will not only increase the tax basis on the property, but will also provide access to fresh foods and a stabilizing influence to an economically struggling area.

Ordinance 2018-195 appropriated \$3,000,000 for the NW Jacksonville Economic Development Fund to specifically address food desert matters in the area, less the cost of the consultant who was contracted to make recommendations on potential programs to alleviate the food desert problem. Ordinance 2019-245 approved the Full Service Grocery Store Program, which allows the City to fund up to 40 percent of capital costs to incentivize grocery stores to locate in the area.

Policy Impact Area: Full Service Grocery Store Program – Northwest Jacksonville food desert

Fiscal Impact: Appropriation of \$750,000 as initiated by B.T. 20-018

Analyst: Hampsey