

**CITY COUNCIL RESEARCH DIVISION
LEGISLATIVE SUMMARY**



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Bill Type and Number: Resolution 2024-419

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

Date of Introduction: May 28, 2024

Committee(s) of Reference: F

Date of Analysis: May 30, 2024

Type of Action: Authorization to execute economic development agreement; authorization of REV grant; authorization of job training grant; designation of oversight agency; affirming compliance with the Public Investment Policy; request for fast-track approval on one cycle

Bill Summary: The bill authorizes the execution of an economic development agreement between the City and Project Link (corporate identity temporarily confidential) for the creation of a new manufacturing plant in Jacksonville. It authorizes a Recapture Enhanced Value (REV) grant in an amount not to exceed \$7.5 million over 10 years. The bill also authorizes a Local Training Grant in an amount not to exceed \$200,000. The Office of Economic Development (OED) is designated as the City's oversight agency for the project. The bill affirms that the incentives are compliant with the City's Public Investment Policy. Fast-track approval on one committee cycle is requested.

Background Information: Project Link is a subsidiary of a global industry leader in the automotive industry and currently does not have a presence in the United States. The company is looking to develop a footprint in U.S. with the construction of an assembly facility on the Northwest side of the City to manufacture parts and assemble electric autonomous vehicles. The company plans to have a new approximately 450,000 sq. ft. of manufacturing space constructed on approximately 40 acres with a total capital investment of approximately \$100 million. It will operate the new facility with up to 200 employees paying competitive wages combined with benefits. The City proposes to incentivize the project with a REV grant based on 75% of the incremental tax increase on the property payable over 10 years, to a maximum of \$7.5 million. It would also provide a Local Training Grant of up to \$200,000 (\$1,000 per employee up to 200). The State of Florida is also providing incentives for the project in the form of a High-Impact Performance Incentive (HIPI) Award of \$8,000,000 and a Capital Investment Tax Credit (CITC) of 100% of the corporate tax liability.

Policy Impact Area: Economic development

Fiscal Impact: The bill authorizes a REV grant of up to \$7.5 million and a training grant of up to \$200,000

Analyst: Clements