

CITY COUNCIL RESEARCH DIVISION LEGISLATIVE SUMMARY

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Bill Type and Number: Resolution 2022-618

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

Date of Introduction: August 9, 2022

Committee(s) of Reference: F

Date of Analysis: August 11, 2022

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

Bill Summary: The bill authorizes an economic development agreement between the City and BGFP Jacksonville, LLC to support the construction of a 272,000 square foot cold storage facility on Somers Road near the Jacksonville Zoo. It authorizes a recapture enhanced value (REV) grant of up to \$3 million to support the project and designates the Office of Economic Development as the City's oversight agency for the project. The bill affirms the project's compliance with the City's Public Investment Policy and requests fast-track approval on two readings.

Background Information: BGFP Jacksonville, LLC (an affiliate of FreezPak Logistics, a family-owned cold storage and third-party logistics company) is considering the construction of a 272,000 SF refrigerated/frozen storage warehouse and distribution center in north Jacksonville at a cost of \$116 million. The project would create 60 new jobs by the end of 2027 paying an average annual wage of \$56,000 plus benefits. The City is proposing to offer a 5 year REV grant, at 50% of new taxes produced based on the proposed \$116 million investment, and the addition of 60 new jobs, by the end of 2027. The REV grant would be capped at \$3,000,000 and would require a capital investment of at least \$95 million to qualify for any incentive.

Policy Impact Area: Economic development

Fiscal Impact: A REV grant of up to \$3 million, payable over 5 years, is authorized.

Analyst: Clements