

**CITY COUNCIL RESEARCH DIVISION
LEGISLATIVE SUMMARY**



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Bill Type and Number: Resolution 2023-332

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

Date of Introduction: May 23, 2023

Committee(s) of Reference: F

Date of Analysis: May 25, 2023

Type of Action: Authorization to execute economic development agreement; authorizing REV grant; designation of oversight agency; affirming compliance with Public Investment Policy; request for fast-track approval on two readings

Bill Summary: The bill authorizes execution of an economic development agreement between the City and "Project Crystal" (company identity currently confidential) to support the creation of a distribution facility off of Heckscher Drive. It authorizes a Recapture Enhanced Value (REV) grant in an amount not to exceed \$1.5 million and designates the Office of Economic Development as the City's oversight agency for the project. The bill affirms the incentive's compliance with the terms of the City's Public Investment Policy. Fast-track approval on two readings is requested.

Background Information: Project Crystal is a major international retailer providing offerings of household goods, clothing and food items. The company proposes to occupy a building currently under construction, spend an estimated \$17 million on the completion of the real estate improvements and invest \$44 million in machinery and equipment in order to implement the distribution of its goods to retail stores in the region of south Georgia, south Alabama, Puerto Rico and Florida. The project would create 100 new full-time jobs within 1 year of the installation of the equipment. It is anticipated that the project would be a substantial user of Jaxport's facilities to import goods in containers. The REV grant represents 50 percent of the increase in real and personal property taxes generated at the project site, for 5 years.

Re

Policy Impact Area: Economic development

Fiscal Impact: The bill authorizes a REV grant in an amount not to exceed \$1.5 million payable over 5 years.

Analyst: Clements