



## REQUEST FOR COUNCIL ACTION

**AGENDA DATE:** August 14, 2023

**AGENDA ITEM:** Consider adopting a resolution regarding the support of a Minnesota Department of Employment and Economic Development (DEED) Job Creation Fund application for the L&M Fleet Supply Distribution Center Project.

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### BACKGROUND:

As we've just discussed, we have been engaged in discussions focused on support of an L&M Fleet Supply plan to construct a proposed 200,000 square foot, \$55M distribution center in Grand Rapids. Over the past year, multiple sources of business assistance from DEED, IRRR, the City and GREDA have been discussed with L&M.

One of those sources is the DEED Job Creation Fund (JCF), a program that offers rebates directly to the business over a period of up to seven years, based upon the number and wages of new jobs created by the project. The JCF also provides sales tax rebates for materials used in real property improvement, such as the proposed development of the distribution center.

DEED has estimated that, exclusive of the sales tax rebate, the JCF program has the potential to provide up to \$850,000 to support this project.

The City Council is required to provide a resolution of support for the JCF application for this project with findings of fact that support the resolution, which is attached for the Council's consideration.

### REQUESTED COUNCIL ACTION:

Make a motion to adopt a resolution regarding the support of a Minnesota Department of Employment and Economic Development (DEED) Job Creation Fund application for the L&M Fleet Supply Distribution Center Project.