

A Resolution of the City Council of the City of Port St. Lucie approving an impact and mobility fee mitigation agreement for Costco Wholesale Corporation.

Presented by:

Elijah Wooten – Economic Development Administrator

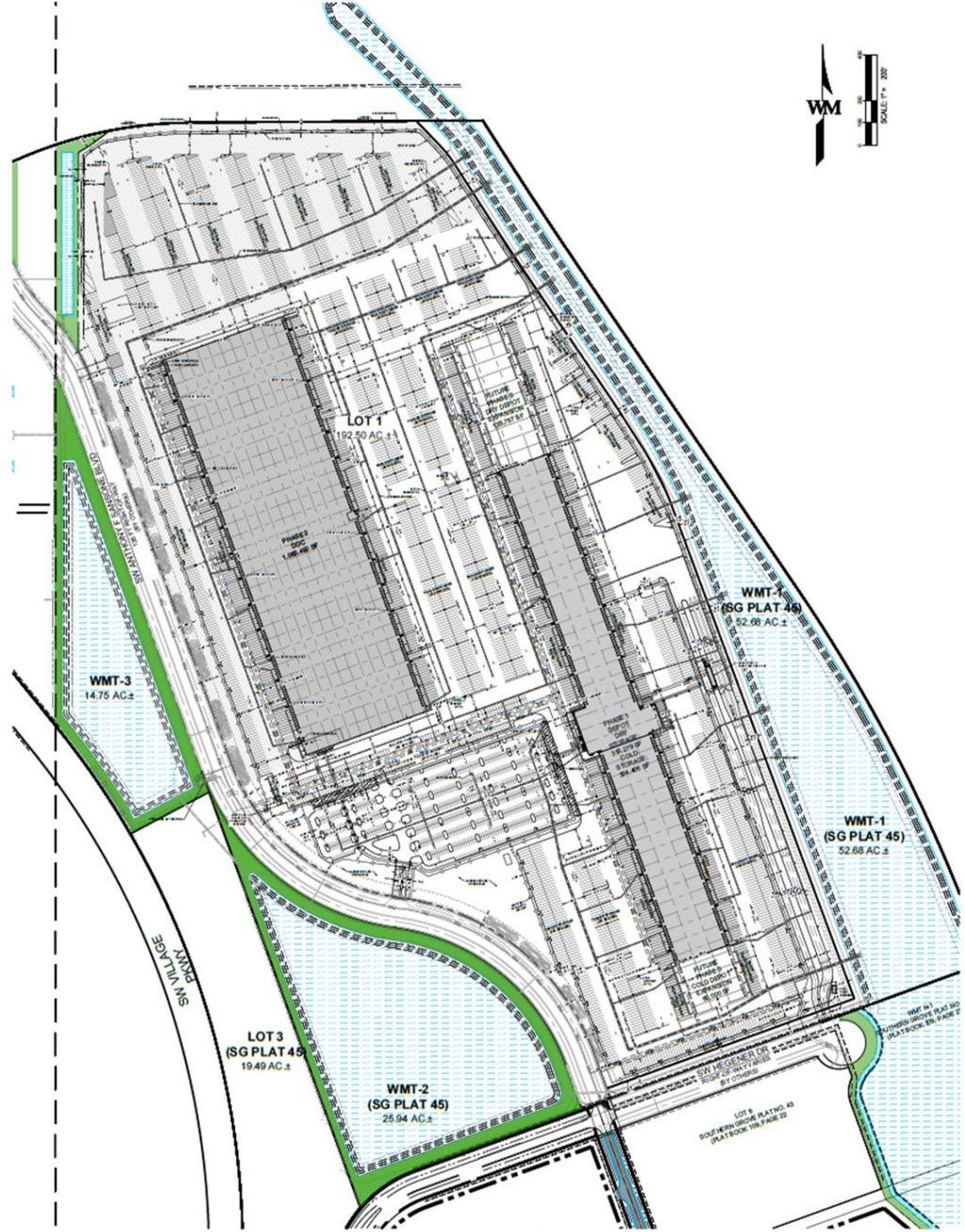
City Council Regular Meeting

April 14, 2024



# Project Location

13077 SW Anthony  
F. Sansone Sr. Blvd



# Project Overview

## Executive Summary

- Costco Wholesale Corporation purchased a 192+/- -acre parcel in Legacy Park to construct a 622,685-sf distribution depot. The company is requesting the City Council approve the impact mitigation agreement for the Phase Two expansion of an additional 1,060,490-sf distribution depot.

## Project Overview

- The capital investment will include \$94 million in new construction and \$19.4 million in machinery/equipment.
- The company will create 115 new high-wage jobs paying an average of \$55,350 plus benefits.

# Economic Impact

## New Construction (One time impact)

Impact	Employment	Labor Income	Output
Direct	544.85	\$27,585,219.49	\$94,000,000.00
Indirect	111.70	\$5,916,660.45	\$23,565,884.85
Induced	94.56	\$3,941,218.05	\$15,474,121.68
<b>Total</b>	<b>751.11</b>	<b>\$37,443,097.99</b>	<b>\$133,040,006.53</b>

## New Jobs (Reoccurring impact)

Impact	Employment	Labor Income	Output
Direct	115	\$6,415,142.51	\$20,908,010.62
Indirect	56.52	\$2,171,239.42	\$7,026,121.64
Induced	23.12	\$965,008.88	\$3,784,537.63
<b>Total</b>	<b>194.64</b>	<b>\$9,551,390.81</b>	<b>\$31,718,669.89</b>

# Impact and Mobility Fee Mitigation

- Costco Wholesale Corporation is eligible to receive an impact and mobility fee mitigation up to \$3,500 per new full-time job created, based on the average wage of \$55,350, which is above St. Lucie County's average wage.
- The total amount of the impact and mobility fee mitigation is up to \$402,500. The total impact and mobility fee is \$ 513,333.
- The company will create 115 new high-wage jobs, with 85 jobs created in Year One, 15 jobs in Year Two & 15 jobs in Year Three.
- The company commits to create and retain 115 jobs for a period of ten (10) years from the date of issuance of the Certificate of Occupancy.
- If the company fails to meet the performance standards it will be required to pay the waived impact and mobility fees on a pro rata basis for each year or partial year it is out of compliance.
- The impact and mobility fee will be paid from the Tradition Economic Development Fund and sales proceeds from lands owned by the Governmental Finance Corporation.

## Recommendation

Staff recommends the City Council approve the impact and mobility fee mitigation agreement for the Costco Distribution Depot Phase Two expansion to Port St. Lucie.