



Staff Report

February 16, 2021

Texas City Economic Development Corporation

Subject: Consideration of an Economic Development Agreement with JMK5 for Mainland City Centre located at 10000 Emmett. F. Lowry Expressway.

I. **Background**

- a. In 2015, JMK5 purchased the former Mall of the Mainland, originally opening World Gym in the former Macy's space. Since 2015 the former mall has been undergoing redevelopment.
- b. In October 2020, JMK5 purchased the former Sears, and with this came the announcement of further redevelopment, and the addition of new restaurants, entertainment facilities, and the relocation and expansion of the World Gym.
- c. Jerome Karam has held discussions with city staff in regards to the redevelopment of the property, and the new tenants that will be arriving at Mainland City Centre.

II. **Current Situation**

- a. The Economic Development Corporation is requested to consider approval of an Economic Development Agreement with JMK5 for the Mainland City Centre at 10000 Emmett F. Lowry Expressway.
- b. This agreement authorizes the TCEDC to provide an economic development grant in the form of a sales tax reimbursement.
- c. This agreement is in line with past agreements entered into with Brixmor, Edifis, HEB, and Buc-ees's.
- d. The agreement states that a maximum refund amount is set at \$1,500,000 and 10 years. The agreement will be complete whichever comes first.

III. **Recommendation**

- a. Approve the Economic Development Agreement between the Texas City Economic Development Corporation and JMK5.

IV. **Fiscal Impact Report**

- a. Staff: Garrett McLeod
- b. Funding Source: TCEDC
- c. Maximum Rebate Amount: \$1,500,000

V. **Economic Impact**

- a. Enhances property values, safety, and aesthetics on a significant community corridor along 6th Street.

Respectfully Submitted,

Garrett C. McLeod
Economic Development Director