

ECONOMIC DEVELOPMENT INCENTIVE PROGRAMS

College Park/University Heights

June 18, 2018



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TODAY'S AGENDA

- Economic Development Incentive Programs Overview
- Process
- Policy Highlights
- CH2M Applications
 - Company Relocation
 - Job Creation
- Recommendation



<https://www.mindtree.com/>

1. COMPANY RELOCATION

2. JOB CREATION

THE PURPOSE

To help reduce costs associated with physically relocating and/or creating jobs for eligible companies in our redevelopment areas. These programs directly address the CRA's mission of alleviating blight and economic distress.

WHO'S ELIGIBLE?

In August of 2016, both programs were revised to be more inclusive by allowing a broader range of companies eligible for economic investment incentives to lower vacancy rates, increase employment levels, raise the tax base, diversify economic opportunities and promote redevelopment goals.

PROCESS

- The company completes and submits an application to the CRA. Applications shall contain the following information:
 - Summary of the company, including an overview of the business and growth projections
 - Details on the jobs that will be created and/or relocated, including job descriptions, salary information and timeline of hiring and/or relocation
 - Dollar amount of incentive requested and justification for the request
- Evaluate applications against the criteria listed program guideline
- Reimbursement based on policy criteria
- Application is evaluated by CRA staff and the company is notified of award decision
- “Award decisions will be presented to the CRA Board and the appropriate Advisory Board for informational purposes only.”

COMPANY RELOCATION

The program is consistent with College Park/University Heights Redevelopment objectives met:

- 3.1.5 Objective 5 - Private Investment
- 3.1.7 Objective 7 - Creation of Mixed-Use Technology Hubs
- 3.1.10 Objective 10 - Funding, Financing, Management, and Promotion

Highlights

The company must currently be located either: 1) outside of the Redevelopment Area with plans to relocate into a Redevelopment Area, or 2) in a local business incubator within a Redevelopment Area, with plans to graduate from the incubator into a location within a Redevelopment Area.

- Incentive Calculation is up to \$125,000 maximum for relocating 65+ employees
- The incentive is paid out as a lump sum after the relocation has taken place
- Expenses that are eligible for reimbursement under the program include licensed moving company to setting up and/or recalibrating business equipment including, but not limited to, specialized lab, manufacturing and computing equipment

Policy Highlights

JOB CREATION

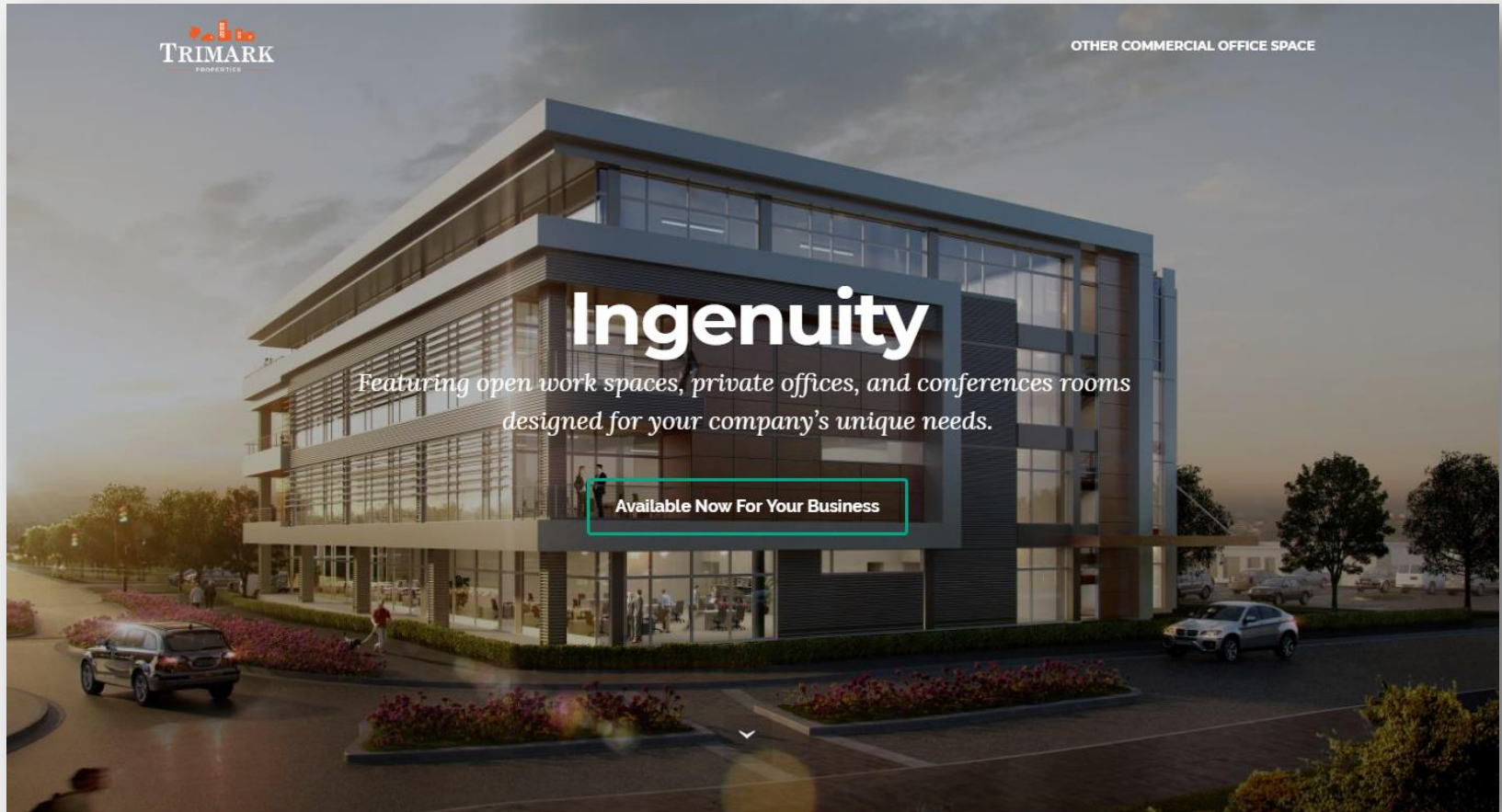
The program is consistent with College Park/University Heights Redevelopment objectives met:

- 3.1.5 Objective 5 - Private Investment
- 3.1.7 Objective 7 - Creation of Mixed-Use Technology Hubs
- 3.1.10 Objective 10 - Funding, Financing, Management, and Promotion

Highlights

- The company must maintain the number of jobs created and/or relocated within the Redevelopment Area for at least a 2-year period to receive the total grant payment
- The company must own its building or hold a lease for with a minimum term of 3 years after the date of the application
- Eligible jobs shall be permanent positions carrying a fulltime classification (minimum 30 to 40 hours per week)
- The average annual wage for Alachua County is used to decide the bracket for qualify incentive rate
 - For each job paying $\geq 160\%$ or more of the average annual wage for Alachua County, the incentive is \$4,500 per job, payable as \$2,250 each year over a two year period
- The maximum total award is \$250,000 (paid over a two year period, with a maximum of \$125,000 paid each year)

CH2M APPLICATION



TRIMARK
PROPERTIES

OTHER COMMERCIAL OFFICE SPACE

Ingenuity

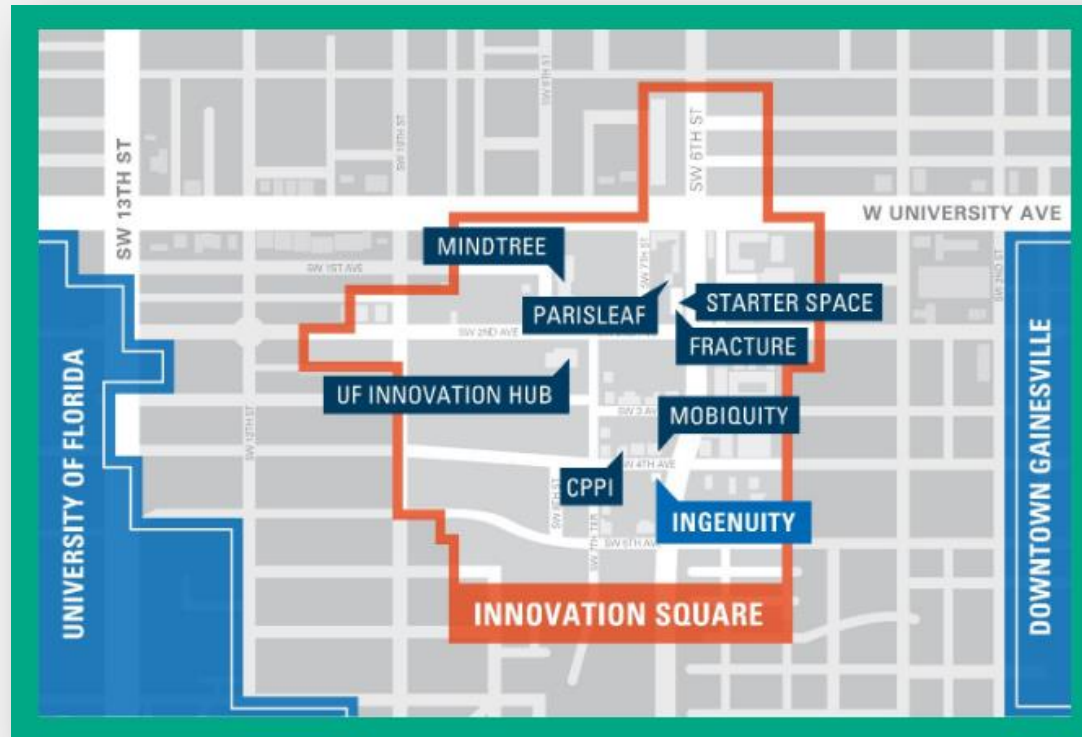
*Featuring open work spaces, private offices, and conferences rooms
designed for your company's unique needs.*

Available Now For Your Business

<http://www.trimarkproperties.com/gainesville/commercial-real-estate/ingenuity/>

CH2M, a global professional services company who provides scientific, technical, professional, construction- and program-management for business, industrial, commercial, government and infrastructure sectors, relocated its Gainesville office to the CPUH redevelopment area in March of 2017.

THE LOCATION



<http://www.trimarkproperties.com/gainesville/commercial-real-estate/ingenuity/>

643 SW 4th Avenue Gainesville, FL 32601

“The Innovation District affords us the opportunity to be centralized within the city, to immerse ourselves in the STEM community, and to bring more job opportunities to this redeveloped area of Gainesville.”- CH2M

COMPANY RELOCATION APPLICATION CRITERIA & RESULTS

The application did include all of the following within 12 months of agreement with the CRA:

Copy of executed lease or deed

Copy of most recent filed IRS Form 941 or other documentation to verify number of employees at the time of relocation

Notarized statement listing the employees that have been relocated to the CRA

Invoices for eligible relocation costs and receipts showing payment to third party vendors

Completed City of Gainesville Vendor Application

Cover letter requesting payment of the incentive

Incentive Award is \$125k



<https://www.ch2m.com/>

JOB CREATION APPLICATION CRITERIA & RESULTS

The application did include all of the following within 12 months of agreement with the CRA:

Copy of current executed lease or deed

Copy of most recent W2 for each eligible job hired/relocated, or other appropriate documentation to verify number of job, length of service and salary

Cover letter requesting payment of the incentive

Incentive Award = \$250k (\$125k Paid Out on Annual Basis Over 2 Years)

CH2M with Jacobs created an additional 109 jobs paying 160% or more of the annual wage for Alachua County



Our employees love to turn challenges upside down and inside out to find and create solutions that make a real and lasting impact on communities around the world. If you think you might be a kindred spirit, dive in to learn more about what life is like at CH2M for all types of teammates.

RECOMMENDATION

CRA Executive Director to the CRA Board:

1. Hear update from CRA Staff.

