



Legislation Details (With Text)

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Title: Qualified Target Industry (QTI) Resolution - BioMonde (B)

This item seeks City Commission approval for an amended QTI Resolution previously approved by the City Commission to adjust timing associated with prospective job creation for the location within Gainesville of BioMonde.

Sponsors:

Indexes:

Code sections:

Attachments: 1. 180393A_Biomonde QTI Resolution Final_20181018.pdf, 2. 180393A_draft resolution_MOD20181018.pdf, 3. 180393_Resolution_20181018.pdf

Date	Ver.	Action By	Action	Result
10/18/2018	1	City Commission	Adopted (Resolution) and Approved the Recommendation	Pass

Qualified Target Industry (QTI) Resolution - BioMonde (B)

This item seeks City Commission approval for an amended QTI Resolution previously approved by the City Commission to adjust timing associated with prospective job creation for the location within Gainesville of BioMonde.

BioMonde, a larval therapy company providing debridement treatments to the US wound care market was approved by the City Commission for local QTI participation in January, 2014 for the establishment of a business unit within the City of Gainesville that would create 18 manufacturing, sales and marketing and administration jobs.

In this particular case, BioMonde has indicated that it will create up to 18 net new jobs at an average wage of approximately \$52,500 at the Innovation Hub. This firm has pledged a capital investment of approximately \$825,000 over five years regarding the new location in addition to the proposed job creation.

The QTI incentive is a state tool available to Florida communities to encourage job growth in targeted, high value added businesses. Pre-approved applicants creating jobs in Florida receive refunds on the various State taxes they pay including corporate, sales, ad-valorem, insurance premium and other taxes. The QTI incentive is performance based and the firm will only receive funds based upon jobs created and meeting other criteria as required by Florida statute.

Due to the incentive calculated per job (\$6,000 for location in an Enterprise Zone; \$1,000 for creation of wages at 150% of the average Alachua County wage; and \$2,000 for jobs located in an Enterprise Florida designated High Impact Business Sector) the total incentive would be \$162,000. Of this, the City would be asked to provide a 10% match (\$16,200) over a period of seven years with an equal 10% match (\$16,200) coming from Alachua County for a total local match of \$32,400.

The Gainesville Area Chamber of Commerce and its economic development arm, the Council for Economic Outreach (CEO) have worked with BioMonde and recommends approval of this request.

If this item is approved, the City Commission agrees to budget and appropriate up to \$16,200 over seven years in the event that tax refunds are approved by the state. Currently, the City has expended approximately \$4,800 towards its local match for this company.

The City Commission: 1) adopt the Amended QTI Resolution; 2) authorize the Mayor to execute and the Clerk to attest to the Amended QTI Resolution regarding BioMonde.; and 3) direct the City Manager to forward the executed Amended QTI Resolution to Enterprise Florida.