



Legislation Text

File #: 180392., Version: 1

Qualified Target Industry (QTI) Resolution - NextGen Biologics, Inc. (B)

This item seeks City Commission approval for an amended QTI Resolution associated with prospective job creation for the company's location within the City of Gainesville.

The City Commission approved a Resolution in August, 2016, in support of NextGen Biologics, Inc.'s growth in the community and the company seeks a one year adjustment (push option) in the time period associated with its job implementation.

NextGen Biologics, Inc., is a medical device company and has indicated that it will create up to 35 net new jobs beginning in FY 2018 at an average wage of approximately \$73,882 (with benefits) within the City of Gainesville. In addition to the creation of jobs this firm has pledged a capital investment of approximately \$1.425 million dollars.

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 (\$3,000 per job per QTI incentive, \$2,000 for 200% of the Alachua County Private Sector Wage and \$2,000 for jobs located in an Enterprise Florida designated High Impact Business Sector) the total incentive would be \$ 245,000. Of this, the City would be asked to provide a 10% match (\$24,500) with an equal 10% match (\$24,500) coming from Alachua County for a total local match of \$49,000.

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

If this item is approved, the City Commission agrees to budget and appropriate up to \$24,500 in the event that tax refunds are approved by the state.

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