



Legislation Text

File #: 150492., Version: 1

Qualified Target Industry (QTI) Resolution - Project Night (B)

This item seeks City Commission approval for a QTI Resolution associated with prospective job creation for the location within the City of Gainesville of Project Night.

A company seeking approval of a Qualified Target Industry (QTI) has requested confidential treatment of information concerning plans, intentions, or interests of such company in relocating its business activities to Gainesville. The Gainesville Area Chamber of Commerce is referring to the company as "Project Night" to protect the identity of the company pursuant to Section 288.075, Florida Statutes.

Project Night has indicated that it will create up to 140 net new jobs within three years at an average wage of approximately \$55,000 (with benefits) within the City of Gainesville. In addition to the creation of jobs in the three-year period, this firm has pledged a capital investment of approximately \$85,000 in a similar timeframe.

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, \$1,000 per job associated with 150% of the average annual wage and \$2,000 for jobs located in an Enterprise Florida designated High Impact Business Sector) the total incentive would be \$840,000. Of this, the City would be asked to provide a 10% match (\$84,000) over a period of eight years with an equal 10% match (\$84,000) coming from Alachua County for a total local match of \$168,000.

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

If this item is approved, the City Commission agrees to budget and appropriate up to \$84,000 over eight years 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 Project Night; and 3) direct the City Manager to forward the executed QTI Resolution to Enterprise Florida.