



Legislation Text

File #: 150752., Version: 1

Qualified Target Industry (QTI) Second Amendment to Resolution - ONESIXTYOVERNINETY, INC. (B)

This item seeks City Commission approval for a second amendment to QTI Resolution previously approved by the City Commission to adjust timing associated with prospective job creation for the location of a regional headquarters within the City of Gainesville for ONESIXTYOVERNINETY, INC, a branding and public relations agency.

ONESIXTYOVERNINETY, INC., a branding and public relations agency has established a regional headquarters within the City of Gainesville that will create 35 branding/advertising jobs and was originally approved by the City Commission for local QTI participation in August, 2013. An amended Resolution was approved on January 14, 2014 by the City Commission to extend the dates associated with the QTI. This 2nd Amendment to Resolution keeps the same level of incentive and proposes to extend the date range another year from FY 2015 - FY 2018.

In this particular case, ONESIXTYOVERNINETY, INC. has indicated that it will create up to 35 net new jobs (they have submitted a claim for a portion of their previously approved QTI incentive) at an average wage of approximately \$90,000 at its current location in downtown Gainesville. This firm has pledged a capital investment of approximately \$500,000 over three 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 Enterprise Zone and \$2,000 for creation of wages at 200% of the average Alachua County wage) the total incentive would be \$280,000. Of this, the City would be asked to provide a 10% match (\$28,000) over a period of three years with an equal 10% match (\$28,000) coming from Alachua County for a total local match of \$56,000.

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

If this item is approved, the City Commission agrees to extend the dates regarding the existing appropriation of \$28,000 in the event that tax refunds are approved by the state.

The City Commission: 1) adopt the Second Amendment to QTI Resolution; 2) authorize the Mayor to execute and the Clerk to attest to the Second Amendment to QTI Resolution regarding ONESIXTYOVERNINETY, INC.; and 3) direct the City Manager to forward the executed Second Amendment to QTI Resolution to

Enterprise Florida.