Legislation Details (With Text)

File #:	200519. **Version:** 1	**Name:**	
Type:	Staff Recommendation	**Status:**	Passed
File created:	11/12/2020	**In control:**	City Commission
On agenda:	11/19/2020	**Final action:**	11/19/2020
Title:	GCRA Job Creation Incentive Policy (B)		
Sponsors:			
Indexes:			
Code sections:			
Attachments:	1. 200519_A_Job Creation Incentive Program Policy_2020.11.19.pdf, 2. 200519_B_Job Creation Incentive Application_2020.11.19.pdf, 3. 200519_C_Index Provided by CRA - 2019 Average Annual Wage see pg2_2020.11.19.pdf, 4. 200519_D_CAI_Job Creation Incentive Program Application Year 2 Reimbursement CH2MHill_2020.11.19.pdf		

Date	Ver.	Action By	Action	Result
11/19/2020	1	City Commission	Approved as Recommended	

GCRA Job Creation Incentive Policy (B)

Originally approved in 2012, the CRA's High Wage Job Creation Incentive Program provides a financial incentive to companies that created new jobs within the former CRA Redevelopment Districts. Subsequently, in June 2016, the CRA Advisory Board authorized staff to make changes to the program and bring back for review and approval. In August 2016, staff presented the recommended changes to the Board and the same were approved. The changes were not on the total participation, but rather to the per job amount based on Alachua County average wage, along with a change to the name and focus to include jobs other than "High Wage" as narrowly specified in the original program.

In June 2018, staff provided an update to the Board on CH2MHill and their relocation from Williston Road to the College Park/University Heights district and their application to the program. Staff informed the Board that the company also met the requirements of the program, making them eligible for up to $250,000 in reimbursement. The application was approved and disbursed in the amount of $125,000, according to the program guidelines. In November 2019, a second installment application was submitted, and again, following review the same was approved. Prior to disbursement of the second installment of $125,000, staff realized that although the program changes were approved by the governing board, the corresponding policy document was not included for approval in the agenda item backup. After consulting with the City Attorney's office, the recommendation was to place the policy document on the City Commission agenda for approval to correct the scrivener's error and allow staff to release the second installment of the incentive to the applicant per their approved application. This action will not only complete the approved revision from 2016 and but also allow GCRA staff to complete the CH2MHill final incentive installment.

As part of the GCRA Reinvestment Plan and the transition to City Department, GCRA will be revisiting all its existing Economic Development programs and identifying what needs to be revised or sunset. The first phase of this work was completed in October and November 2020 with approvals of the revised Paint and Business Improvement Programs. The priority focus will be on creating an "East Gainesville Incentivized Development

Plan" as noted in the City's adopted Strategic Plan and Action Agenda.

The Job Creation Incentive program will be brought back to the Board and Commission, along with the Company Relocation program, at a future meeting with an update on suggested changes and an analysis of complementary programs that would specifically target and assist Economic Development needs in the eastern part of the District.

Funding in the amount of $250,000 is budgeted for the CH2MHill Job Creation Incentive in the College Park/University Heights Trust Fund account W767.

City Manager to the City Commission: 1) Approve amendments the Job Creation program to $250,000.00 payable in two reimbursements of up to $125,000.00 each for a maximum of $250,000, based on the number of jobs created, based on the average Alachua County wage and the approval and presentation given by GCRA staff in August 2016 and 2) retroactively approve second payment to CH2M Hill in the amount of $125,000.00, pursuant to their approved Job Creation Incentive application.

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