



Legislation Text

File #: 180083., **Version:** 1

Economic Development: CH2M Hill (B)

The CRA has two (2) economic development incentive programs created in April of 2008 to encourage private investment in our redevelopment districts. The purpose of both economic development incentive programs is to help reduce costs associated with physically relocating and/or creating jobs for eligible companies in the redevelopment areas. These programs directly address the CRA's mission of alleviating blight and economic distress. In August of 2016, both programs were revised to be more inclusive by allowing a broader range of companies eligible for economic investment incentives. The relocation of companies and their employees into the redevelopment area helps to lower vacancy rates, increase employment levels, raise the tax base, diversify economic opportunities and promote redevelopment goals. The encouragement of private enterprise helps the redevelopment areas become self-sustaining in the long term and serves to implement the redevelopment plan objectives for each redevelopment area.

Company relocation expenses are often cited as a barrier for companies that desire to relocate, especially companies that have specialized technical equipment. The Company Relocation Incentive Program offers companies a 50% reimbursement match on eligible business relocation costs, up to a maximum award of \$125,000. The Job Creation Program incentivizes the creation and maintenance of full-time employment within the Gainesville CRA Districts by offering a reimbursement grant payment for companies that create or relocate a minimum of 5 full-time jobs within a redevelopment area. The grant is paid out via a reimbursement over a 2-year period after the employees have been hired and/or relocated.

Staff received two (2) economic development incentive applications from CH2M Hill associated with their plans to relocate their business to within the CPUH redevelopment area. After reviewing the application, Staff has determined that the project meets requirements of the Company Relocation Incentive Program and is eligible for up to \$125,000. CH2M Hill's relocation has brought over 65 jobs into the district. After reviewing the application, Staff has determined that the project also meets the requirements and guidelines of the Job Creation Program, and therefore is eligible for up to \$250,000 reimbursement. Per the requirement of the adopted programs, the grant process "Application is evaluated by CRA staff and the company is notified of award decision. Award decisions will be presented to the CRA Board and the appropriate Advisory Board for the informational purposes only." During this presentation, Staff will share the guidelines and eligibility for the award decisions of both economic development incentive programs that CH2M Hill will be awarded for informational purposes.

The Company Relocation Incentive Reimbursement Grant is being awarded in the amount of \$125,000 as a reimbursement from the CPUH Trust Fund account (W767). In addition, The Job Creation Incentive Reimbursement Grant application is being awarded in the amount of \$250,000 total as a reimbursement for eligible jobs at both the 12 and 24 month markers by the CRA in the amount of up to \$125,000 per year from the CPUH Trust Fund account (W767).

CRA Executive Director to the CRA Board: Hear update from CRA Staff.