

Memo

To: City Commissioners
From: Jeremy Earle, Executive Director
CC: Dan Murphy, Robert Baldwin, Colin Donnelly, Tom Ansbro
Date: 12/23/14
Re: Qualified Targeted Industry Tax Refund

This memo is to inform you of a current project that we are working on with Enterprise Florida, the Greater Fort Lauderdale Alliance and Broward County to allow a business that we helped attract to our City a couple years ago to expand their operations and hire more people. The project is Code Named "Project Red" for confidentiality purposes. The company is freight brokerage firm that was headquartered in Cincinnati and sought to relocate their sales/operational center to our city. Project Red will create 60 jobs at an average wage of \$50,484 and a capital investment of **\$600,000** over a three year period. Project Red is eligible for a Qualified Targeted Industry Tax Refund (QTI) and they have completed a General Project Overview in order to be considered for incentives.

The financial commitment from the City to participate in this QTI will be split with the county at 10% each. The state of Florida will provide the other 80% percent of the incentives. The incentives are paid out over a three year period, assuming that the company meets its contractual obligations. The projects proposed location address is located in an Enterprise Zone making the incentive \$6,000 per job created totaling \$360,000. That would make Dania Beach's portion \$36,000 which will be amortized over a 3 year period totaling **\$12,000** per year.

The Project Red company will have a significant Impact. The estimated annualized payroll of \$3,029,040 for new positions only by 2017.

Due to the time sensitive nature of this project, I am requesting that City Management put this on the City Commission Agenda in January for consideration. I would recommend that you consider and approve this economic development incentive.