



**TO:** Honorable Mayor & Members of the Fort Lauderdale City Commission

**FROM:** Chris Lagerbloom, ICMA-CM, City Manager

**DATE:** May 3, 2022

**TITLE:** Resolution Approving an Economic Development Incentive Award for \$50,000.00 for Project Sunshine and Authorizing the City Manager to Negotiate and Execute an Economic Development Incentive Agreement – **(Commission Districts 1, 2, 3 and 4)**

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**Recommendation**

Staff recommends the City Commission approve an Economic Development Incentive Award for Project Sunshine in the amount not to exceed \$50,000.00, subject to the approval of future appropriations in the City's annual budget, to be paid over a five-year period should Project Sunshine meet the terms and conditions of the City's economic development incentive program and authorize the City Manager to negotiate and execute an Economic Development Incentive Agreement, in accordance with Section 15-234(b) of the Code of Ordinances.

**Background**

Project Sunshine has recently announced its plans to create 100 net new jobs which will increase the City's competitiveness in domestic and international markets within the marine industry. This company represents an opportunity for the city to secure the corporate headquarters of a major business that operates in the marine industry, providing the City with new and sustained regional growth.

In accordance with the Economic Development Incentive Program in Article VIII of the Code of Ordinances of the City of Fort Lauderdale, Project Sunshine is eligible for a Direct Cash/Job Creation Incentive by proposing an expansion of 100 new jobs at an average annual wage of \$62,003.00 per year, on or before December 31, 2026. The total Direct Cash incentive being offered to Project Sunshine is \$50,000.00 to be paid over a five-year period, subject to future appropriation. Specifically, the company is expected to create 100 jobs by December 31, 2026. The year-one amount to be paid is \$3,750.00 in FY2023-24. The year two amount is \$12,500.00, year three amount is \$12,500.00, year four amount is \$12,500.00, and the year five amount is \$8,750.00. The payment grid in Exhibit 1 reflects the annual payments which are subject to Project Sunshine meeting the terms and conditions of the City's economic development incentive program, and subject

to approval of future appropriations in the City's annual budget.

Applicants seeking an economic incentive award from the City must comply with the criteria established in Article VIII of the City's Code of Ordinances. Specifically, the Project:

- Demonstrates the City of Fort Lauderdale is committed to facilitating employment opportunities within new and existing industries looking to relocate and/or expand.
- Complements our emphasis on "Targeted Industries" such as Corporate Headquarters.
- Facilitates a company that will be creating a minimum of 100 high-skill/high-wage jobs with an average wage of \$62,003 (115% of the private sector average wage in Broward County).
- Ensures the project would not be lost to a competitor state(s), namely Indiana.
- Captures a conservatively estimated capital investment of \$2.1 million.

### **Resource Impact**

There is no current year fiscal impact associated with this item. The City's multi-year commitment is a total of \$50,000 with the first partial payment planned for Fiscal Year 2023 contingent upon annual budget appropriations.

### **Strategic Connections**

This item is a *Press Play Fort Lauderdale Strategic Plan 2024* initiative, included within the Business Development, specifically advancing:

- Goal 5: Build an attractive global and local economic community marketplace.
- Objective 1: Create a responsive and proactive business climate to attract emerging industries.

This item advances the *Fast Forward Fort Lauderdale 2035 Vision Plan: We are Prosperous*.

### **Attachments**

Exhibit 1 – Project Sunshine Payout Schedule

Exhibit 2 – Resolution

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