



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING

#18-0159

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

FROM: Lee R. Feldman, ICMA-CM, City Manager

DATE: February 20, 2018

TITLE: Resolution Authorizing Qualified Target Industry Tax Refund Incentive for
Project Mulligan

Recommendation

It is recommended that the City Commission adopt a resolution approving Project Mulligan for the City's Local Match Program in support of a Florida Qualified Target Industry (QTI) company pursuant to Section 288.106, Florida Statutes providing that funds are available as local financial support through the QTI program.

Background

Project Mulligan is classified as a technology company with a reputation as a global leader in its industry. Mulligan is an international corporation with its headquarters in Europe and numerous offices around the world including offices in the United States (US) and Florida (Boca Raton). Mulligan plans to consolidate and expand its US presence by establishing its US headquarters in Fort Lauderdale.

The establishment of a US Corporate Headquarters, average wage, industry classification, and number of net new jobs being created qualifies Mulligan for \$5,000 per net new job under the Florida QTI program. Project Mulligan is a joint effort between the State of Florida, the Greater Fort Lauderdale Alliance, and the City of Fort Lauderdale. The total QTI incentive award will not exceed \$500,000 of which the State of Florida would provide 80% (\$400,000) and the City of Fort Lauderdale would provide 20% (\$100,000). The award will be paid annually in amounts not to exceed the values depicted in Exhibit 1. The City's share of the QTI award in the first year (FY2019/20) is estimated to be \$5,000.

Highlights of the incentive award:

- Project Mulligan will create 100 new high skill and high wage jobs with an average annual wage of \$55,038 which meets or exceeds 115% of the 2017 private sector average wage in Broward County. The 2017 average wage was locked in as Project Mulligan's performance threshold by the date of its application.
- Secures a conservatively estimated capital investment of \$130,000 for tenant improvements of Class A office space to be leased in Fort Lauderdale.

- Due to the nature of their business, the location of Mulligan's US Headquarters is highly competitive. This incentive ensures the company and jobs would not be lost to a competitor state.
- Validates the City of Fort Lauderdale, Broward County and the State of Florida's dedication to being the most business friendly state in the nation by keeping taxes low, streamlining regulations, and investing in education.
- Demonstrates that the City of Fort Lauderdale and the State of Florida are committed to facilitating employment opportunities within new and existing industries.
- Complements our emphasis on "Targeted Industries" such as Technology.

Resource Impact

There is no budgetary impact for this Fiscal Year associated with this action. Funding for Fiscal Year 2019/20 through Fiscal Year 2024/25 is subject to approval and appropriation of the annual operating budget.

Strategic Connections

This item is a *Press Play Fort Lauderdale Strategic Plan 2018* initiative, included within the Business Development Cylinder of Excellence, specifically advancing:

- Goal 7: Be a well-positioned City within the global economic and tourism markets of the South Florida region, leveraging our airports, port, and rail connections.
- Objective 1: Define, cultivate, and attract targeted and emerging industries.

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

Attachments

Exhibit 1 – Projected Funding Analysis

Exhibit 2 – Resolution

Prepared by: Michael Chen, Economic & Business Development Manager, Department of Sustainable Development

Department Director: Anthony Greg Fajardo, Sustainable Development