



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING

#18-1119

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

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

DATE: October 23, 2018

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

Recommendation

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

Background

Project Momentum is a leading developer and manufacturer of both residential and industrial products. The company is a market leader and the US headquarters is presently in New England now planning to relocate in Fort Lauderdale.

The establishment of a Fort Lauderdale Corporate Headquarters, average wage at 200% of County average, industry classification, and number of net new jobs being created qualifies Momentum for \$7,000 per net new job, which includes \$5000 per job for the QTI, plus \$2000 per job for the High Impact Performance Incentive (HIPI) Grant bonus. Project Momentum 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 \$210,000, of which the State of Florida would provide 80% (\$168,000) and the City of Fort Lauderdale would provide 20% (\$42,000). 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 \$10,500.00.

Highlights of the incentive award:

- Project Momentum will create 30 new, high-skill, and high-wage jobs with an average annual wage of \$97,374, which is 200% of the private sector average wage in Broward County.
- Secures a conservatively estimated capital investment of \$900,000 for tenant improvements and the purchase of office equipment.
- Ensures the project would not be lost to a competitor state or country, namely the New England area and Miami.

- Demonstrates that the City of Ft Lauderdale and the State of Florida are committed to facilitating employment opportunities within new and existing industries.
- Project Momentum will further enhance the City of Ft Lauderdale's reputation as a desirable destination for Headquarter locations of national and global reach.

Resource Impact

There is no budgetary impact for this Fiscal Year associated with this action. Funding for Fiscal Year 2019/20 through Fiscal Year 2022/23 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