



**CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING**

#19-0441

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

FROM: Chris Lagerbloom, ICMA-CM, City Manager

DATE: May 7, 2019

TITLE: Resolution Approving an Amended Job Creation Schedule for Motus GI, Inc. (Project Pierce), a Florida Target Industry Business – **(Commission District 2)**

Recommendation

It is recommended that the City Commission adopt a resolution approving an amended job creation schedule for Motus GI, Inc., a Florida Qualified Target Industry (QTI) pursuant to Section 288.106, Florida Statutes, and providing funds are available as local financial support through the QTI program.

Background

Motus GI, Inc. (Project Pierce) has sent a letter, dated April 15, 2019, to the Florida Department of Economic Opportunity requesting a one year “push” to the job creation schedule of its original QTI contract. If Motos GI, Inc.’s request is granted, it would begin hiring expansion in 2019, with 2020 as the first year Motos GI, Inc. would be eligible for a QTI incentive payment.

On May 16, 2017, the Fort Lauderdale City Commission approved the City’s 20% local match for the Motus GI, Inc. (Project Pierce) QTI incentive award. The project and QTI incentive award were described in Commission Agenda Memo 17-0565 (attached as Exhibit 1) and are restated below. Based on the project application and the City’s approval of the local match, the Florida Department of Economic Opportunity (DEO) approved Motus GI, Inc. for the Qualified Target Industry Tax Refund Program.

In the original application, Motus GI, Inc. committed to start their hiring expansion in 2017, with their first year of benefits beginning in 2018. However, in accordance with Commission Agenda Memorandum 17-1363 (attached hereto as Exhibit 2), Motus GI, Inc. amended their job creation schedule due to unforeseen circumstances that delayed their clinical and commercial activities in the U.S. This amendment was made prior to Motus GI, Inc. completing their QTI contract with the Department of Economic Opportunity (DEO). Resolution No. 17-254 amended Motus GI, Inc.’s job creation schedule and permitted Motus GI, Inc. to amend its original application to the DEO for the job creation

schedule to begin in 2018.

Motus GI, Inc. is a medical technology company focused on the development and commercialization of systems to improve the cost-effectiveness of examination procedures and enhancement of the experience for physicians and patients. Motus has subsidiaries in the U.S. and the Middle East. Supporting this project would further elevate the City's recognition as a technology and life sciences hub and serve as a validation to the area's economic development strategy.

The incentive award for Motus GI, Inc. was a joint effort between the State of Florida, the Greater Fort Lauderdale Alliance, and the City of Fort Lauderdale. The total QTI incentive award is \$250,000, of which the State of Florida would provide 80% (\$200,000) and the City of Fort Lauderdale would provide 20% (\$50,000), paid annually over a period of six years. The City's share of the QTI award in the first year (FY2020/21) is estimated to be \$2,500.00. To review the award in more detail please refer to the revised funding analysis attached as Exhibit 3.

Highlights of the incentive award:

- Motus GI, Inc. (Project Pierce) will create 50 high skill/high wage jobs with an average annual wage of \$95,718 (200% of the private sector average wage in Broward County).
- Validates the City of Fort Lauderdale and the State of Florida's commitment to facilitating employment opportunities within new and existing industries in the Transportation Services sector.
- Secures an estimated capital investment of approximately \$1.06 million to establish their office.
- Demonstrates the City of Fort Lauderdale and the State of Florida are committed to facilitating employment opportunities within new and existing industries.
- Motus GI, Inc. (Project Pierce) will further enhance the City of Fort Lauderdale's reputation as a desirable destination for Headquarter operations.

Resource Impact

There is no budgetary impact for this Fiscal Year associated with this action. Funding for Fiscal Year 2020/21 through Fiscal Year 2025/26 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 – Commission Agenda Memo 17-0565

Exhibit 2 – Commission Agenda Memo 17-1363

Exhibit 3 – Revised Funding Analysis

Exhibit 4 – Resolution

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

Department Director: Anthony Greg Fajardo, Sustainable Development