



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

#26-0519

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

FROM: Rickelle Williams, City Manager

DATE: June 2, 2026

TITLE: Resolution Approving Economic Development Incentives for Project
“Orange Blossom” in a Total Amount Not to Exceed \$290,000, Consisting
of a Strategic Job Creation Incentive (SJCI) of \$90,000 and a Direct Cash
Job Growth Incentive of \$200,000; and Authorizing the City Manager to
Negotiate and Execute an Economic Development Incentive Agreement –
(Commission Districts 1, 2, 3 and 4)

Recommendation

Staff recommends that the City Commission approve economic incentives for Project “Orange Blossom” in an amount not to exceed \$290,000. These incentives consist of a Strategic Job Creation Incentive (SJCI) of \$90,000 payable over four (4)-years, and a Direct Cash Job Growth Incentive of \$200,000, payable over six (6)-years. Payment is contingent upon Project “Orange Blossom” satisfying all performance requirements and terms established in Article VIII - Economic Development Incentive Programs, of the City of Fort Lauderdale Code of Ordinances. Furthermore, City staff recommends the City Commission authorize the City Manager to negotiate and execute an Economic Development Incentive Agreement, subject to the approval of future appropriations in the City’s annual budget.

Background

Project "Orange Blossom" involves the establishment of a global headquarters for a logistics firm specializing in contract logistics, outsourced supply chains, and warehousing within the City of Fort Lauderdale. The project contemplates the lease of approximately 35,000 square feet of office space and a total capital investment of approximately \$7 million in leasehold improvements. An outline of Project “Orange Blossom” is provided in Exhibit 1.

Project “Orange Blossom” is expected to create 150 new, high-wage jobs by December 31, 2029. The proposed average annual wage of \$141,563 represents 200% of the average private sector wage in Broward County, significantly exceeding the minimum requirements set forth in the City’s Economic Development Incentive Programs.

The proposed incentive package is a collaborative effort between the City of Fort

Lauderdale and Broward County. This includes a \$300,000 SJCI shared via a seventy percent to thirty percent (70 % / 30%) split, with the County providing \$210,000 and the City contributing \$90,000. This also includes a \$400,000 Direct Cash Job Growth Incentive equally shared between the City and County, with the City contributing \$200,000 over a six (6)-year period.

This proposal is strictly contingent upon the Broward County Board of County Commissioners approving their respective portions of the incentive during their June 9, 2026, meeting. All City payments are performance-based, as detailed in the Labor Income Analysis and Payout Schedules, attached as Exhibit 2, and are subject to the project meeting specific job creation milestones and future annual budget appropriations. To ensure accountability, Broward County will perform an annual compliance audit and provide a copy of the report to the City prior to the issuance of any incentives.

Based on prior similar economic development incentives provided by the City, Project "Orange Blossom" includes attributes and milestones that are compatible with the City's economic development interests. The Project aligns with the City's strategic focus on attracting "Global Headquarters" as a targeted industry and promises a significant economic impact through the creation of 150 high-skill jobs and a seven \$7 million capital investment.

The proposed incentive structure remains fully compliant with the following programmatic requirements:

- The Direct Cash Incentive allocation of \$200,000 for 150 new positions results in an average incentive of \$1,333 per job, falling well below the \$2,000-per-job regulatory ceiling and adhering to the \$200,000 total program cap.
- The SJCI allocation of \$90,000 requires wages to exceed 115% of the average annual wage. At 200% (\$141,563), Project "Orange Blossom" significantly surpasses this threshold, directly supporting the City's objective of expanding high-wage employment for the regional workforce.
- The City's support is a material factor in securing this headquarters over competing locations in Texas, North Carolina, and Tennessee.

The City's total contribution of \$290,000 is subject to the recovery mandates of Article VIII, requiring a full return of the investment within six (6) years of the initial payout. While the final performance-based payment is scheduled for 2035, the projected Ad Valorem tax revenue generated by the \$7 million capital investment is forecasted to reach the full recovery threshold (\$290,000) by the end of 2034. Furthermore, the Project is forecasted to exceed the mandated ten percent (10%) net positive return, reaching a total projected recovery of \$319,000 within the compliance window.

The Greater Fort Lauderdale Alliance has issued a Letter of Support, attached as Exhibit 3.

Historically, economic development in Florida, Broward County, and the City of Fort Lauderdale relied on a layered, performance-based "toolkit" designed to lure out-of-state

companies or encourage local businesses to expand. These programs differentiated between Direct Job Creation (broad cash/tax incentives for general expansion) and Strategic Job Creation (incentives specifically targeting high-wage, high-skill industries like aerospace, life sciences, tech, and manufacturing). To win a competitive project, the State of Florida, Broward County, and the City would pool resources to offer financial inducements.

The Qualified Target Industry (QTI) Tax Refund offered tax refunds (on corporate income, sales, and insurance premium taxes). To qualify, the business had to prove the incentive was a "material difference" in their decision to locate in Florida, and they had to pay wages at least 115% of the County's average. The County operated its own local direct and strategic incentive layers alongside the State. The City of Fort Lauderdale has traditionally provided incentives alongside the State and County. However, on June 30, 2020, the State officially allowed the QTI Tax Refund program to expire. The State honors the payouts of agreements signed prior to the expiration of the QTI Tax Refund.

As precedent for this requested action, the City Commission has previously approved funding assistance for similar strategic job creation projects, including:

- Project Beecham (CAM# 21-0203, Resolution No. 21-57): A pharmaceutical manufacturer that committed to retaining fifty-six (56) positions and expanding its Fort Lauderdale footprint through the creation of fifty (50) net new jobs. This project was approved for an award of \$50,000 over a three (3)-year period.
- Project Disembark (CAM# 21-0763, Resolution No. 21-211): A marine industry expansion project structured to create 225 net new jobs over an eight (8)-year period, securing sustained regional growth and increasing the City's competitiveness in domestic and international maritime markets. This project was approved for an award of \$168,750 over an eight (8)-year period.
- Project Sunshine (CAM# 22-0443, Resolution No. 22-90): A marine industry project approved to create one hundred (100) net new jobs, further expanding the City's competitive footprint within the local marine cluster. This project was approved for an award of \$168,750 over five (5)-year period.

To date, these companies have yet to formalize reimbursement requests, as disbursements remain strictly contingent upon the successful completion of job-creation and wage-verification audits.

Resource Impact

There is no immediate fiscal impact associated with this item. The City's multi-year commitment is a total of \$290,000 with the first partial payment planned for Fiscal Year 2028 contingent upon annual budget appropriations.

Strategic Connections

This item supports *Press Play Fort Lauderdale Strategic Plan 2029 Strategic Plan*, specifically advancing:

- The Business Growth and Support Focus Area, Goal 6: Build a diverse and attractive economy.

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

Attachments

Exhibit 1 – Project Outline

Exhibit 2 – Labor Income Analysis and Payout Schedule

Exhibit 3 – Letter of Support from the Greater Fort Lauderdale Alliance

Exhibit 4 – Resolution

Prepared by: Porshia L. Garcia, Director, Community Services Department

Charter Officer: Rickelle Williams, City Manager