

OFFICE OF THE MAYOR

Lynn Stoner
Mayor

Jason R. Nunemaker
Chief Administrative Officer

**CITY COUNCIL**

Denise Horland
President
Erik Anderson
President Pro Tem
Jennifer Andreu
Tim Fadgen
Nick Sortal

MEMORANDUM

To: Mayor and Members of the City Council

From: Jason Nunemaker, Chief Administrative Officer

Date: May 17, 2021

Re: Economic Development Incentive request for "Project Eterias"

The Administration is pleased to present to the City Council an opportunity to provide economic development incentives for "Project Eterias". The City has been advised that certain information concerning the business referenced as Project Eterias (including the name and identity of the business) remains confidential, pursuant to Florida Statute 288.075 which allows this status for Economic Development recruitment initiatives. This Project represents an opportunity for the City to further its economic development goals, and significantly enhance the City's reputation as a destination point for a national headquarters in one of the County's targeted industries.

The Greater Fort Lauderdale Alliance (Alliance) has worked with the State, and the City to bring this forward. The Alliance is one of the primary economic development organizations for Broward County. It competes globally to attract businesses and focuses on creating, expanding and retaining high-wage jobs and capital investment in high value targeted industries. This allows for the development of more vibrant communities, and improving the quality of life for the area's citizens. The Alliance's expertise includes a variety of economic development services for clients, prospects, investors and partners.

Attached as Exhibits One, Two, and Three, please find information provided by the Alliance with respect to this matter. A summary of their analysis is provided below:

- The expansion of the corporate headquarters in Midtown Plantation;
- Expansion includes 500 net new high skilled, high wage jobs during 2021-2024;
- Average wage of jobs is \$100,000 annually (150% of the annual average wage in Broward);
- Expansion includes \$25,000,000 in capital investment in year one;
- Net city incentive of \$250,000 from 2023 to 2028 (average \$41,667 annually);
- Project receives support County incentive of \$250,000;
- City's contributions are performance-based and the city contributions are not made if benchmarks are not achieved;
- The City and County validate the deliverables annually; and
- Expansion will generate over \$98.6 million in direct labor income and approximately \$6M in state and local taxes between 2021 and 2028.

The Alliance will have members attending the City Council meeting.

Project Eterias is seeking Local support in the following manner:

It is seeking support consistent with the State's Qualified Target Industry "pay for performance" program. Due to the non-renewal of the QTI program, Broward County and the City of Plantation will administer the Strategic Job Creation Incentive (SJCI) program. The combined incentive is \$1,000 per net new job. This is proposed to be shared equally with Broward County. If the performance parameters are met, the City's portion will be \$250,000, payable over six (6) years, an average annual payout of \$42,000. For this purpose, an authorizing Resolution is attached and is recommended for City Council adoption.

It should be noted that the City, Broward County, and the Alliance will be working together to develop an agreement that mirrors the QTI agreements utilized in the past. If the incentive is authorized and successful funding will be budgeted in the Planning, Zoning, and Economic Development Department.

The attraction of this firm will further enhance the City of Plantation's reputation as a desirable destination for international and national headquarters. We also anticipate that there will be additional economic benefits generated by the supporting needs (housing, retail, food service, auto, etc.) of the additional employees.

This matter is now ready for consideration by Council. It is recommended that the Council approve the item and adopt the attached Resolution.

Attachments:	Exhibit 1	Alliance Staff Report and Financial Projections
	Exhibit 2	Economic Impact Analysis
	Exhibit 3	Local Incentive Payout Schedule