



# Downtown Investment Authority

## PROJECT SHARP

### SUMMARY

August 7, 2019

**Company:** Project Sharp

**Background:** Project Sharp is a major local employer looking to expand its business operations. It provides services in a High Impact Sector and is a Qualified Target Industry providing services to customers worldwide. The new Jacksonville office building will serve as its corporate headquarters.

Sharp is proposing to retain 1216 existing jobs and create up to 500 new jobs, at an average wage of \$85,000 by 2029. The jobs will be created in accordance with a schedule committing to add 50 jobs per year for 10 years. Sharp will also invest \$145 million in construction of a new 300,000 square foot office building and associated parking structure in the Downtown Northbank Combined CRA.

Project Sharp has stated that the State of Florida and City of Jacksonville incentives are a material factor in its decision to remain in Jacksonville and expand its operations here, as opposed to another location.

No. of Jobs to be Created	Capital Investment	Intangibles
1216 Jobs Retained  500 Jobs @ \$85,000 average wage no later than June 30, 2029	\$145 million in new office building, parking garage, furniture, fixtures and equipment, etc.	Position Jacksonville as headquarters to major corporation providing services throughout the world  Create high paying jobs well above state average  Further efforts to revitalize Downtown by development of underutilized site and bringing more workers into Downtown

### Project Rationale & Benefits:

The company is a major local employer looking to expand its operations and being actively recruited by other locations. The proposed project will keep the Company in Jacksonville, not only retaining the 1216 existing jobs, but significantly expanding its presence and brand here.

Furthermore, the Company's choice of a Downtown infill location not only returns an underutilized site to one that enhances the tax base, but it does so in an area where underlying infrastructure already exists and creates an opportunity for a live work environment reducing the need for residents to commute.

**The project ROI ratio for the City of Jacksonville is 1.2**

**Description of the City of Jacksonville Incentives:**

- 1) The company is seeking public investment through the Qualified Target Industry (QTI) Tax Refund program. The Company qualifies for the High Impact Sector bonus. The QTI incentive proposed is \$6000 per job for 500 jobs. The city portion is 20% of the award, or \$1200 per job up to \$600,000 in total. The QTI award will be payable after the average wage and jobs created are verified by the Florida Department of Economic Opportunity over the proposed 10 year payout commencing in 2020. The company has committed to an average wage of \$85,000, in excess of the 115% of the average state wage requirement.
- 2) A City Recaptured Enhanced Value (REV) Grant will be provided. The REV grant will be equal to 75% of the increase in ad valorem taxes paid by the Company over the 20 years following completion of the improvements, but not later than 2043. The maximum REV Grant payout will be \$23.4 million, over 20 years. If the improvement value is less than \$145 million, the REV is reduced proportionately and if less than \$130 million the REV is forfeited.
- 3) A \$3.5 million City Closing Grant, consistent with the adopted Public Investment Policy, payable upon completion of the Improvements with a minimum value of \$130 million.

**Description of State of Florida Incentives that are components of City Incentives:**

- 1) The state portion of the QTI program is 80 percent of the award, or \$4800 per qualified job up to \$2,400,000 in total. The QTI award will be payable after the average wage and jobs created are verified by the Florida Department of Economic Opportunity over the proposed ten year payout beginning in 2020.

**Other State of Florida Incentives may be awarded.**