



To: John McDonough, City Manager
From: Andrea Hall, Economic Development Director
Date: May 31, 2013 for Submission onto the June 18, 2013 City Council Meeting Agenda
Subject: MATRIX Resources Incentive Request

Background:

On October 4, 2011, the City Council adopted the Economic Development Incentive Policy. Pursuant to the policy, MATRIX Resources submitted an application to receive a waiver of building and impact permit fees and a two year waiver of business occupational taxes for their location at 1000 Abernathy Road, Suite 500.

Discussion:

The capital investment being made by MATRIX Resources in tenant improvements for the build out of 40,662 square feet totaled approximately \$1.5 million, not including furniture, fixtures and equipment. The project was completed in mid-2012 and the applicant moved into the building in October 2012.

The company committed to an 8-year lease at this location, relocating its headquarters from Dunwoody and 203 employees to Sandy Springs, with an average salary at or above \$62,244, the average wage level for Sandy Springs.

The MATRIX Resources capital investment and number of jobs meets the qualifications for Tier II incentives, which call for a minimum of \$1.01 million in capital investment and between 26 - 99 jobs at or above the average wage level. Tier II incentives provide for a waiver of permit and impact fees and a two waiver of business occupational taxes as noted below:

Building permit fee waiver:	\$2,632.52
Projected business occupational tax waiver 2014:	<u>\$74,284.00</u>
Value of 2014 incentives:	\$76,916.52
Projected business occupational tax waiver 2015:	<u>\$74,284.00</u>
Total projected value of all incentives:	\$151,200.52

Pursuant to the Incentives Policy, a public hearing is required prior to action by the City Council on the MATRIX Resources application.

Recommendation:

Staff recommends approval of the MATRIX Resources incentives application and authorization for the City Manager to execute an agreement with MATRIX Resources.

Attachments:

Application for Incentives



**CITY OF SANDY SPRINGS, GEORGIA
ECONOMIC DEVELOPMENT INCENTIVE POLICY**

APPLICATION COVER

Firm Name:	MATRIX Resources, Inc.	Date of Submission:	02/27/2013
Number of Jobs:	203		
Amount of Capital Investment:	\$2,051,828 (see attached detail)		
Level of Incentive Requested:	Waiver of Business and Occupation Tax (Tier II)		
Description of Project: <i>(Attach additional pages as needed to fully explain your request.)</i>	<p>Founded in 1983, MATRIX today is a national Information Technology Solutions provider, producing results for more than 2,300 clients in the last decade. Last year, more than 2,000 MATRIX consultants provided Professional IT Services, Professional IT Staffing, and Telecom Services, helping clients achieve outstanding technology and business success.</p> <p>In 2012 it was decided to move MATRIX corporate headquarters from Dunwoody to the City of Sandy Springs due to access to major roads, interstates and public transportation, as well as a business friendly environment. MATRIX Resources committed to a long-term 8+ year lease with Northpark Town Center and finalized the move to Sandy Springs in October 2012.</p>		
Submitted by:	Robert Stovall	Title:	CFO
<i>For internal use only</i>			
Reviewed by:			



Matrix Resources, Inc.
1000 Abernathy Rd NE
Suite 500
Sandy Springs, GA 30328

February 27, 2013

Attn: Andrea Hall
City of Sandy Springs, GA
Economic Development Incentive Program
7480 Roswell Road Building 500
Sandy Springs, GA 30350

To whom it may concern:

This correspondence is in regards to the Economic Development Incentive application submitted by MATRIX Resources, Inc.

MATRIX Resources was founded in 1983 and has grown to a national IT Solutions provider with over \$180M in revenue. MATRIX Resources has talented staff and management as well as the financial capability to sustain the business for many years to come in the City of Sandy Springs. Audited financial statements can be made available upon request but we prefer this information not be made public record.

Please contact me at the telephone number below should you have any questions regarding this application. I look forward to meeting with you soon.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Stovall", is written over the word "Sincerely,".

Robert Stovall
CFO
MATRIX Resources, Inc.
(770) 730-6286

MATRIX Resources, Inc.
2012 move to Sandy Springs
Investments made:

	Source
Tenant Improvements made by Northpark for MATRIX as part of lease agreement	1,530,092 CBRE/Northpark Buildout PDF summary
Capitalized Investments related to the office move:	
Signage, breakroom appliances, cabling	11,565 FAS Sys no: 4032, 4042 & 4043
Furniture & Fixtures (cubes)	314,362 FAS Sys no: 4040
New Atlanta phone system	195,810 FAS Sys no: 4054
Total CAPEX items	<u>521,736</u>
Total investments made in Sandy Springs	2,051,828