

Revised
ADD-ON
TIME CERTAIN: 11:00 A.M.
Agenda Item No.: 6A-4

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: September 11, 2007 [] Consent [x] Regular
[] Public Hearing

Department: Administration
Submitted By: Economic Development Office

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to adopt a Resolution: a) conceptually approving a grant in the amount of \$86.9 million to the Max Planck Society for the purposes of seeking matching funds from the State of Florida; b) authorizing the Business Development Board to facilitate the application for matching funding from the State of Florida Innovation Incentive Fund; c) authorizing staff to commence negotiations with the Max Planck Society to establish the terms and conditions of the Grant Agreement; d) authorizing staff to commence negotiations with Florida Atlantic University and Scripps Florida for temporary facilities for the Max Planck Society; and e) authorizing staff to commence negotiations with Florida Atlantic University for six (6) acres of land upon which the Max Planck Florida Institute will be located.

Summary: The Max Planck Society requires funding in the amount of \$181.8 million to construct and operate a 100,000 square foot Bioscience Institute, Max Planck Florida Institute on the Campus of Florida Atlantic University in Jupiter. Of this amount, \$86.9 million is anticipated to be funded by Palm Beach County and \$94.9 million is anticipated to be funded by the State of Florida. The State's portion is contingent upon receiving approval by the Governor and Legislature under the Innovation Incentive Fund. The State of Florida has appropriated \$250 million in an Innovative Incentive Fund for this fiscal year. The research institutes of Max Planck employ approximately 23,400 people worldwide, and performs basic research in the interest of the general public in the natural sciences, life sciences, social sciences and the humanities. Since 1990, the organization has successfully spun-off 76 companies. The organization also has produced 16 Nobel Prize winners since 1948.
Countywide (JM)

Background and Policy Issues: Palm Beach County and the State of Florida have undertaken a visionary initiative to transform the economic landscape of the State and the County by investing in a Life Science Cluster. Palm Beach County made a significant financial investment in a Life Science Cluster through a grant to the Scripps Research Institute for the construction of their permanent facilities in Palm Beach County. On March 13, 2007, the Board of County Commissioners adopted a Strategic Economic Development Plan which seeks to grow the County's economic base by promoting the County Internationally.

Attachments:

- 1. Resolution

Recommended by: Shannon G. Boye 9/7/07
Department Director Date

Approved By: Shannon G. Boye 9/7/07
Assistant County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years:	2007	2008	2009	2010	2011
Capital Expenditures					
Debt Service Expenditures	-	-	\$3,000,000	\$3,000,000	\$3,000,000
External Revenues					
Program Income (County)					
In-Kind Match (County)					
NET FISCAL IMPACT*	-	-	\$3,000,000	\$3,000,000	\$3,000,000

* Annual County cost increases after 2011. See OFMB comments below.

ADDITIONAL FTE

POSITIONS (Cumulative) N/A N/A N/A N/A N/A

Is Item Included In Current Budget? Yes No X

Budget Account No: Fund Agency Org. Object Reporting Category

B. Recommended Sources of Funds/Summary of Fiscal Impact:

Funding for the County's \$86.7 million commitment is anticipated to be provided through the issuance of non-ad valorem revenue bonds to be issued in multiple series beginning in June 2008. The bonds would be repaid from non-ad valorem revenues.

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Dev. and Control Comments:

Because the proposed bonds would be issued in several series, the full impact of the debt service would not occur until 2017 after the final series is issued. The maximum annual debt service payment is estimated to be \$6.7 million.

Richard Robb 9/7/07
OFMB v 9/7

 N/A
Contract Dev. and Control

B. Legal Sufficiency:

James C. Neely
Assistant County Attorney

C. Other Department Review:

Department Director

This summary is not to be used as a basis for payment.

RESOLUTION NO. R-

RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA; CONCEPTUALLY APPROVING A GRANT IN THE AMOUNT OF \$86.93 MILLION TO THE MAX PLANCK SOCIETY FOR THE PURPOSES OF SEEKING MATCHING FUNDING FROM THE STATE OF FLORIDA; AUTHORIZING THE BUSINESS DEVELOPMENT BOARD TO FACILITATE THE APPLICATION FOR MATCHING FUNDING FROM THE STATE OF FLORIDA INNOVATION INCENTIVE FUND; AUTHORIZING STAFF TO COMMENCE NEGOTIATIONS WITH THE MAX PLANCK SOCIETY TO ESTABLISH THE TERMS AND CONDITIONS OF THE GRANT AGREEMENT; AUTHORIZING STAFF TO COMMENCE NEGOTIATIONS WITH FLORIDA ATLANTIC UNIVERSITY AND SCRIPPS FLORIDA FOR TEMPORARY FACILITIES FOR THE MAX PLANCK SOCIETY; AND AUTHORIZING STAFF TO NEGOTIATE WITH FLORIDA ATLANTIC UNIVERSITY FOR SIX ACRES OF LAND UPON WHICH THE MAX PLANCK FLORIDA INSTITUTE WILL BE LOCATED.

WHEREAS, Palm Beach County and the State of Florida have undertaken a visionary initiative to transform the economic landscape of the State and the County by investing in a Life Science Cluster; and

WHEREAS, Palm Beach County made a significant financial investment in a Life Science Cluster through a grant to the Scripps Research Institute for the construction of their permanent facilities in Palm Beach County; and

WHEREAS, the Board of County Commissioners desires to grow the Life Science cluster in Palm Beach County by providing an incentive to the Max Planck Society; and

WHEREAS, on March 13, 2007 the Board of County Commissioners adopted a Strategic Economic Development Plan which seeks to grow the County's economic base by promoting the County internationally; and

WHEREAS, the Max Planck Society is comprised of 78 institutes, research centers, laboratories and project groups worldwide; and

WHEREAS, the Max Planck Society has created 76 spin-off companies since 1990; and

WHEREAS, the Max Planck Society employs approximately 23,400 people worldwide; and

WHEREAS, the Max Planck Society has had 16 Nobel laureates since 1948, and

WHEREAS, the Max Planck Society desires to create its first institute within North America, Max Planck Florida Institute, in Palm Beach County; and

WHEREAS, the Max Planck Society desires to locate their Florida Institute on Florida Atlantic University's Jupiter Campus; and

WHEREAS, International Max Planck Research Schools will be used as a basis for establishing a new educational framework for Ph.D. candidates in Florida; and

WHEREAS, the Max Planck Society's scientific involvement in Florida will serve to boost the educational and training opportunities available to students, both K-12 and college level, and junior scientists; and

WHEREAS, the Max Planck Society and Scripps Florida have agreed on synergistic research profiles aimed at improving education and healthcare within Palm Beach County and the State of Florida thus creating an opportunity to accelerate the development of a Life Science Cluster; and

WHEREAS, the Innovation Incentive Program was created within the Office of Tourism, Trade, and Economic Development to ensure that sufficient resources are available to allow the State to respond expeditiously to extraordinary economic development and innovation business projects; and

WHEREAS, the Legislature of the State of Florida has appropriated \$250 million to fund the Innovation Incentive Program.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, THAT:

1. The foregoing recitals are true and correct and are incorporated herein.
2. The Board of County Commissioners hereby: (i) conceptually approves a grant in the amount of \$86.93 million to the Max Planck Society for the purposes of seeking matching funding from the State of Florida; (ii) authorizes the Business Development Board to facilitate application for matching funds from the State of Florida Innovation Incentive Fund; (iii) authorizes staff to commence negotiations with the Max Planck Society to establish the terms and conditions of the Grant Agreement (iv) authorizes staff to commence negotiations with Florida Atlantic University and Scripps Florida for temporary facilities for the Max Planck Society; (v) authorizes staff to negotiate with Florida Atlantic University for six acres of land upon which the Max Planck Florida Institute will be located.
3. It is understood, that no contractual relationship is created by this Resolution and should the State of Florida not approve matching funds or the County and the Max Planck fail to successfully negotiate a Grant Agreement outlining the Terms and Conditions of the grant then this Resolution shall be repealed.
4. If any section, sentence, clause, phrase, or word of this Resolution is held invalid or unconstitutional by a Court of competent jurisdiction, then said holding shall in no way affect the validity of the remaining portions of this Resolution.
5. This Resolution shall become effective immediately upon adoption.

The foregoing Resolution was offered by Commissioner _____, who moved its adoption. The motion was seconded by Commissioner _____, and upon being put to a vote, the vote was as follows:

COMMISSIONER ADDIE I. GREENE, CHAIRPERSON
COMMISSIONER JOHN F. KOONS, VICE CHAIR
COMMISSIONER ROBERT KANJIAN
COMMISSIONER KAREN T. MARCUS
COMMISSIONER MARY MCCARTY
COMMISSIONER BURT AARONSON
COMMISSIONER JESS R. SANTAMARIA

Then the Chairperson thereupon declared the resolution duly passed and adopted this _____ day of _____, 20____.

PALM BEACH COUNTY, FLORIDA, BY ITS BOARD OF COUNTY COMMISSIONERS

Sharon R. Bock, Clerk & Comptroller, Palm Beach County

By: _____
Deputy Clerk

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

By: _____
County Attorney