

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS

5A-2

AGENDA ITEM SUMMARY

Meeting Date:	April 20, 2010	<input type="checkbox"/> Consent	<input checked="" type="checkbox"/> Regular
		<input type="checkbox"/> Workshop	<input type="checkbox"/> Public Hearing
Department:	Administration		
Submitted By:	Economic Development Office		

I. EXECUTIVE BRIEF

**Motion and Title:** Staff recommends motion to adopt: a Resolution supporting a Job Growth Incentive (JGI) Grant in the amount of \$40,000 as a portion of the local match for a State Qualified Target Industry Grant (QTI) and \$100,000 as a portion of the local match for a Quick Action Closing Fund with Tyco International US, Inc./ADT Security Services, Inc.

**Summary:** ADT, a subsidiary of Tyco International, has two site locations headquartered in Boca Raton as the base for the executive leadership and functional departments that supports 700 existing employees. ADT designs, sells, installs, services and monitors electronic security systems for residential, commercial, education, governmental and industrial customers. ADT would like to consolidate its multiple headquarters and support location into a single location, create new jobs at the consolidated site and make capital expenditures related to tenant improvements at the new corporate headquarters facility. These local match commitments requires the company to create 100 new jobs by December 31, 2013, with an average salary of \$72,000 excluding benefits; and maintain the 100 new jobs and 700 existing jobs for five years from the effective date of the agreements. The ADT average salary is almost 165% over the County average wage of \$43,846. In total, the County will be providing up to \$140,000 or 50% of the required local match. The City of Boca Raton will be providing the remaining \$140,000 or 50% of the required local match. ADT is expected to produce an economic development return on investment including direct, indirect and induced dollars as follows: \$38 million in output, \$12 million in wages, and \$1 million in taxes over the period of the grant. These Grant Agreements will be brought before the BCC when ADT has finalized their relocation plans. The BCC directed staff to bring qualified companies to the BCC for consideration. Funding will come from General Fund Contingency Reserves. District 4 (DW)

**Background and Policy Issues:** Palm Beach County, Enterprise Florida, Inc., and the State's Office of Tourism, Trade & Economic Development (OTTED) utilize the QTI Program to support relocation/expansion business projects. Each incentive dollar matched by the County leverages five dollars from the State. The State of Florida requires that a local government adopt and provide a Resolution to Enterprise Florida, Inc. in order for the State to proceed further with a Qualified Target Industry Tax Refund Application. The Quick Action Closing Fund helps diversify Florida's economy by enabling the state to respond quickly to economic opportunities and compete effectively for projects that involve significant capital investment and the creation of high-wage jobs.

**Attachments:**

1. QTI Resolution

Recommended By: *Jimmy Howard* 4-13-2010  
Economic Development Director Date

Approved By: *Shana O'Connell* 4-17-10  
Assistant County Administrator Date

**II. FISCAL IMPACT ANALYSIS**

**A. Five Year Summary of Fiscal Impact:**

Fiscal Years	2010	2011	2012	2013	2014
Capital Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Grant Expenditure	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
External Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Program Income (PBC)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
In-Kind Match (PBC)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>NET FISCAL IMPACT</b>	<u>* 0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b># ADDITIONAL FTE POSITIONS (Cumulative)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Is Item Included In Current Budget? Yes \_\_\_ No \_\_\_  
 Budget Account No: Fund \_\_\_ Department \_\_\_ Unit \_\_\_ Object \_\_\_

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

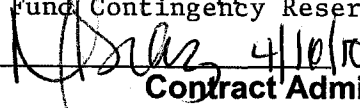
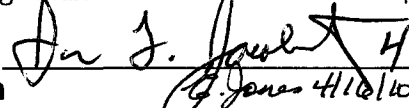
**C. Departmental Fiscal Review:**

  
 Economic Development


**III. REVIEW COMMENTS**

**A. OFMB Fiscal and/or Contract Administration Comments:**

\* No fiscal impact at this time. If Tyco is approved as a OTI business, an item will be brought to the BCC to approve the grant agreement and transfer of \$140,000 from General Fund Contingency Reserves.

OFMB  4/10/10 Contract Administration  4/10/10  
 MCS 4/14/10

**B. Legal Sufficiency:**

  
 Assistant County Attorney 4/19/10

**C. Other Department Review:**

\_\_\_\_\_  
 Department Director

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

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, FINDING THAT TYCO INTERNATIONAL US INC. / ADT SECURITY SERVICES, INC. HEREIN REFERRED TO AS "TYCO/ADT" OR "COMPANY", BE APPROVED AS A QUALIFIED APPLICANT PURSUANT TO s.288.106, FLORIDA STATUTES; AND PROVIDING AN APPROPRIATION OF UP TO \$40,000 AS LOCAL PARTICIPATION IN THE QUALIFIED TARGET INDUSTRY TAX REFUND PROGRAM PURSUANT TO THE PALM BEACH COUNTY JOB GROWTH INCENTIVE GRANT PROGRAM; AND TO BE APPROVED AS A QUALIFIED APPLICANT PURSUANT TO s.288.1088, FLORIDA STATUTES; AND PROVIDING AN APPROPRIATION OF UP TO \$100,000 AS LOCAL PARTICIPATION FOR A QUICK ACTION CLOSING FUND PURSUANT TO THE PALM BEACH COUNTY JOB GROWTH INCENTIVE GRANT PROGRAM; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, ADT Security Services, Inc., a subsidiary of Tyco International US, Inc., has filed a Qualified Target Industry (QTI) Tax Refund Program application with Enterprise Florida, Inc., to seek State tax refunds not to exceed \$400,000, and for which the QTI Program requires that the local government, in this instance the Board of County Commissioners, provide 10% of the 20% required local match by appropriating up to \$40,000 which will be matched by the City of Boca Raton; and

**WHEREAS**, Tyco / ADT also qualifies for a Quick Action Closing (QAC) Fund with Enterprise Florida, Inc. to seek State funds not to exceed \$1,000,000 and for which the QAC Fund Program requires that the local government, in this instance the Board of County Commissioners, provide 10% of the 20% required local match by appropriating up to \$100,000 which will be matched by the City of Boca Raton; and

**WHEREAS**, the Palm Beach County Job Growth Incentive (JGI) Grant Program is designed to motivate businesses by providing funding assistance to either relocate to or establish a facility in Palm Beach County or to help an existing local business with an expansion project which will result in the creation of full time jobs in Palm Beach County, increase the County's tax base, and strengthen and diversify the County's local economy; and

**WHEREAS**, ADT's project involves consolidating its multiple headquarters and support location into a single location, create new jobs at the consolidated site and make capital expenditures related to tenant improvements at the new corporate headquarters facility in southern Palm Beach County. ADT designs, sells, installs, services and monitors electronic security systems for residential, commercial, education, governmental and industrial customers and is a leading provider in security systems worldwide; and

**WHEREAS**, the JGI Grant Agreement with Tyco / ADT will require that the company create 100 full time jobs by December 31, 2013 and maintain said jobs for five (5) years from the date of the Agreement, with the average wage commitment excluding benefits of the new jobs to be at least \$72,000 annually; and

**WHEREAS**, the Palm Beach County Board of County Commissioners acknowledges that local participation is required and understood.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA** that the Board hereby recommends that Tyco / ADT be approved as a Qualified Target Industry Business pursuant to s.288.106, Florida Statutes and a Quick Action Closing Fund Business pursuant to s.288.1088.

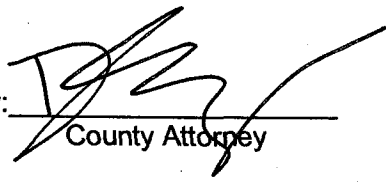
**BE IT FURTHER RESOLVED** that the necessary commitment of local financial support for the Qualified Target Industry Business for the Qualified Target Industry Tax Refund Program exists in an appropriation of up to \$40,000; and for the Quick Action Closing Fund Business for the Quick Action Closing Fund Program exists in an appropriation of up to \$100,000; and that the amounts will be available pursuant to the Palm Beach County Job Growth Incentive Grant Program; and will be paid to the Florida Economic Development Trust Fund with the stipulation that these funds are intended to represent the "local participation" required by s.288.106 and s.288.1088, Florida Statutes.

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

- COMMISSIONER BURT AARONSON, CHAIR \_\_\_\_\_
- COMMISSIONER KAREN T. MARCUS, VICE CHAIR \_\_\_\_\_
- COMMISSIONER JOHN F. KOONS \_\_\_\_\_
- COMMISSIONER SHELLEY VANA \_\_\_\_\_
- COMMISSIONER STEVEN L. ABRAMS \_\_\_\_\_
- COMMISSIONER JESS R. SANTAMARIA \_\_\_\_\_
- COMMISSIONER PRISCILLA A. TAYLOR \_\_\_\_\_

The Chair thereupon declared the Resolution duly passed and adopted this \_\_\_\_ day of \_\_\_\_\_, 2010.

APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY

By:   
County Attorney

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

SHARON R. BOCK, CLERK & COMPTROLLER

By: \_\_\_\_\_  
Deputy Clerk