

ADD ON

Agenda Item No.:

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

5A-3

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) as the required twenty percent 20% Qualified Target Industry (QTI) local match, with National Healing Holding Corporation (NHHC) in the amount of \$24,000.

Summary: The NHHC's headquarters in Boca Raton is the base for the executive leadership and functional departments that supports 82 employees as a leading provider of comprehensive wound centers for hospitals nationwide. NHHC recently purchased a company located in Denver, Colorado, and plans to relocate it in Palm Beach County. The company will create 40 new jobs by December 31, 2012, with an average salary of \$58,403 excluding benefits; and maintain the 40 new jobs and 82 existing jobs for five years from the effective date of the agreement. NHHC average salary is almost 150% of the state average wage and 133% over the County average wage. NHHC is expected to produce an economic development return on investment including direct, indirect and induced dollars as follows: \$4.6 million in output, \$3.2 million in wages, and \$154,001 in taxes over the period of the grant. Under the Qualified Target Industry (QTI) Tax Refund Funds are not allocated in the current budget for JGI. The BCC directed Staff to bring qualified companies to the BCC for consideration. The Grant Agreement will be brought before the BCC when NHCC has finalized their relocation plans. If approved, 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.

Attachments:

1. QTI Resolution

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

Approved By: Shannon B. Bay 4-17-10
Assistant County Administrator Date

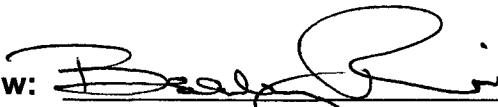
II. FISCAL IMPACT ANALYSIS

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>
Grant Expenditure	<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>
Program Income (PBC)	<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>
 NET FISCAL IMPACT	 <u>*</u>	<u> </u>	<u> </u>	<u> </u>
 # ADDITIONAL FTE POSITIONS (Cumulative)	 <u>0</u>	<u> </u>	<u> </u>	<u> </u>

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

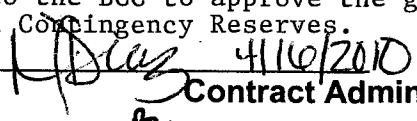
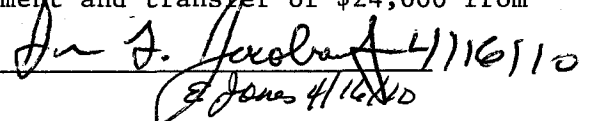
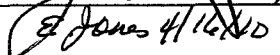
B. Recommended Sources of Funds/Summary of Fiscal Impact:

C. Departmental Fiscal Review: 
 Economic Development

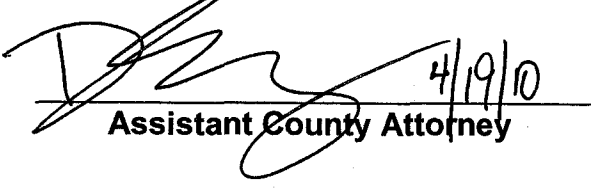
III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Administration Comments:

* No fiscal impact at this time. If NHHC is approved as a OTI business, an item will be brought to the BCC to approve the grant agreement and transfer of \$24,000 from General Fund Contingency Reserves.

OFMB  4/16/2010  4/16/10
 Contract Administration  4/16/10
 MCB 4/14/10 4/13/10

B. Legal Sufficiency:

 4/19/10
 Assistant County Attorney

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 NATIONAL HEALING HOLDING CORPORATION HEREIN REFERRED TO AS THE "NHHHC" OR "COMPANY", BE APPROVED AS A QUALIFIED APPLICANT PURSUANT TO s.288.106, FLORIDA STATUTES; AND PROVIDING AN APPROPRIATION OF UP TO \$24,000 AS LOCAL PARTICIPATION IN THE QUALIFIED TARGET INDUSTRY TAX REFUND PROGRAM PURSUANT TO THE PALM BEACH COUNTY JOB GROWTH INCENTIVE GRANT PROGRAM; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, National Healing Holding Corporation, a foreign profit corporation, NHHHC, has filed a Qualified Target Industry (QTI) Tax Refund Program application with Enterprise Florida, Inc., to seek State tax refunds not to exceed \$120,000, and for which the QTI Program requires that the local government, in this instance the Board of County Commissioners, provide a 20% local match by appropriating up to \$24,000; 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, NHHHC's project involves expanding their existing corporate headquarters in southern Palm Beach County. NHHHC is a leading provider of comprehensive wound centers for hospitals nationwide and recently purchased a company located in Denver, Colorado to relocate and join NHHHC headquarters in Palm Beach County which will provide a complimentary line of business with medical supply purchase and distribution; and

WHEREAS, the JGI Grant Agreement will require NHHHC to create 40 full time jobs by December 31, 2012 and maintain said jobs for five years from the effective date of the agreement at the proposed facility, with the average wage commitment excluding benefits of the new jobs to be at least \$58,403 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 NHHHC be approved as a Qualified Target Industry Business pursuant to s.288.106, Florida Statutes.

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 \$24,000; that this amount 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, Florida Statutes.

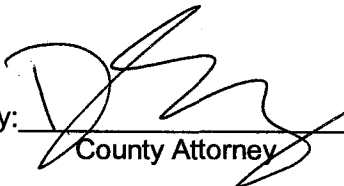
The foregoing Resolution was offered by Commissioner _____ who moved its adoption. The motion was seconded by Commissioner _____ and, being put to a vote, the vote was as follows:

- 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

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

By:  County Attorney

SHARON R. BOCK, CLERK & COMPTROLLER
By: _____ Deputy Clerk