

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date:	February 15, 2011	<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; **A) approve** a local economic development incentive in the amount of \$136,400 for Chromalloy Gas Turbine LLC. and **B) adopt** a Resolution by the Board of County Commissioners of Palm Beach County, Florida, approving \$36,400 of the \$136,400 as a portion of the local match for a State Qualified Target Industry (QTI) Grant.

**Summary:** Chromalloy Gas Turbine LLC is a foreign limited liability corporation which supplies advanced repairs, FAA approved replacement parts and maintenance, repair and overhaul for gas turbines and related equipment used in aviation and land based applications. The company is considering a local office in Palm Beach Gardens. The company will create 52 jobs by December 31, 2013, with an average annual salary of \$88,000, excluding benefits. The Regional Economic Model Inc. results estimate that Chromalloy Gas Turbine LLC will have a \$15 million economic impact over a five (5) year period, generating \$1 Million in Federal, State and local taxes. The company has secured a total of \$791,200 from the State of Florida and \$272,800 in total local funding including \$136,400 from the City of Palm Beach Gardens and \$136,400 from Palm Beach County. The BCC directed staff to bring qualified companies to the Board for consideration. If the Company decides to locate in Palm Beach County, a Job Growth Incentive Agreement will be brought to the BCC for approval. **Palm Beach County's economic development incentive will be payable over three (3) years with an estimated disbursement schedule of \$45,467 in FY 2011 and FY 2012 and \$45,466 in FY 2013. Funding will come from General Fund Contingency Reserves. District 1 (DW)**

**Background:** 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 QTI incentive dollar matched by the County leverages five dollars from the State.

**Attachment:**  
QTI with High Impact Sector Bonus Resolution

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Recommended By:		2-8-2011
	Economic Development Director	Date
Approved By:		2-13-2011
	Assistant County Administrator	Date

## II. FISCAL IMPACT ANALYSIS

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

Fiscal Years	2011	2012	2013	2014	2015
Capital Expenditures	0	0	0	0	0
Grant Expenditure	0	0	0	0	0
External Revenues	0	0	0	0	0
Program Income (PBC)	0	0	0	0	0
In-Kind Match (PBC)	0	0	0	0	0
NET FISCAL IMPACT	✕ 0	0	0	0	0
# ADDITIONAL FTE POSITIONS (Cumulative)	0				

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

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

\*There is no fiscal impact at this time. If Chromalloy Gas Turbine LLC. is approved as a QTI and Quick Action Closing Fund business, items will be brought to the BCC for their consideration.

Approximate disbursements are estimated as follows: \$33,333 in FY 2011 and FY 2012 and \$33,334 in FY 2013 for the Quick Action Closing Fund totaling \$100,000, and, in addition the QTI with High Impact Sector Bonus payouts totaling \$36,400, with the timing of payments to be determined by the QTI contract the Company will sign with the State of Florida.

### C. Departmental Fiscal Review:

## Economic Development

### III. REVIEW COMMENTS

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

OFMB

## Contract Administration

**B. Legal Sufficiency:**

**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, APPROVING A \$36,400 JOB GROWTH INCENTIVE (JGI) GRANT AS A PORTION OF THE LOCAL MATCH FOR A STATE QUALIFIED TARGET INDUSTRY GRANT PROGRAM (QTI) WITH A HIGH IMPACT SECTOR BONUS; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, Chromalloy Gas Turbine LLC, a foreign limited liability corporation, has filed a Qualified Target Industry (QTI) Tax Refund Program application with Enterprise Florida Inc., to seek State tax refunds not to exceed \$364,000, and for which the QTI Program requires that the local government provide a 20% local match of which 10% is being provided by the City of Palm Beach Gardens; 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**, Chromalloy Gas Turbine LLC is considering locating a local office in Palm Beach Gardens; and

**WHEREAS**, Chromalloy Gas Turbine LLC will create 52 full time jobs operating in the Transportation Equipment High Impact Sector and is eligible for the High Impact Sector Bonus; and

**WHEREAS**, the business under consideration supplies advanced repairs, FAA approved replacement parts and maintenance, repair and overhaul for gas turbines and related equipment used in aviation and land based applications; and

**WHEREAS**, if so located, Chromalloy Gas Turbine LLC will commit to pay an average annual wage of \$88,000, which is more than 200% of the Statewide average wage; 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 approves Chromalloy Gas Turbines LLC as a QTI Business pursuant to s.288.106, Florida Statutes.

**BE IT FURTHER RESOLVED** that the local financial support in the amount of \$36,400, which equals 50% of the required 20% local contribution of the total tax refund granted to the QTI Tax Refund Program with a High Impact Sector Bonus will be available pursuant to the Palm Beach County JGI Program and be paid to the Florida Economic Development Trust Fund with the stipulation that these funds are intended to represent 50% of the 20% match required by s. 288.106, Florida Statutes.

This resolution shall take effect immediately upon its adoption.

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 KAREN T. MARCUS, CHAIR  
COMMISSIONER SHELLEY VANA, VICE CHAIR  
COMMISSIONER PAULETTE BURDICK  
COMMISSIONER STEVEN L. ABRAMS  
COMMISSIONER BURT AARONSON  
COMMISSIONER JESS R. SANTAMARIA  
COMMISSIONER PRISCILLA A. TAYLOR

The Chair thereupon declared the Resolution duly passed and adopted this \_\_\_\_ day of \_\_\_\_\_, 2011.

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