

AGENDA ITEM SUMMARY

Meeting Date: April 2, 2013

☐ Consent
☐ Ordinance

[x] Regular
[] Public Hearing

Department: Department of Economic Sustainability

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to:

A) conceptually approve a Job Growth Incentive (JGI) Grant in the amount of \$64,000 with SolarTech Universal, LLC;

B) adopt a Resolution by the Board of County Commissioners of Palm Beach County, Florida, recommending approval of SolarTech Universal, LLC, a newly created corporate entity, as a Qualified Target Industry (QTI) business pursuant to S. 288.108, Florida Statutes; providing for local financial support for the Qualified Target Industry Tax Program not to exceed \$64,000; and

C) authorize the Office of Financial Management and Budget to administratively process a \$64,000 budget transfer from the General Fund Contingency Reserves to the Department of Economic Sustainability JGI Program and a budget amendment of \$64,000 to recognize the funds in the Economic Development Fund, following approval of the agreement.

Summary: SolarTech Universal, LLC is a solar panel manufacturing company based in New York. The company desires to establish a manufacturing and research and development facility in either Florida, Georgia, North Carolina, or South Carolina. The company is considering establishing the new facility in Riviera Beach. The company anticipates a total capital investment of \$11.7 Million and the creation of 80 new permanent full-time jobs within three (3) years with an average annualized wage of \$47,000, excluding benefits.

Enterprise Florida is recommending to the State of Florida a QTI in the amount of \$640,000 of which \$128,000 is the required local match. The City of Riviera Beach has agreed to provide half of the local match in the amount of \$64,000. The County's one half of the local contribution will be in the form of a Job Growth Incentive Grant in the amount of \$64,000. The Job Growth Incentive will be secured by a Letter of Credit or Bond. The five (5) year local Economic Development Return on Investment is anticipated to be \$85 Million. The company will be required to enter into a formal agreement, approved by the Board of County Commissioners, memorializing their commitments and establishing criteria for funding distribution. **Funding from the JGI Grant will come from the General Fund Contingency Reserves.** District 7 (DW)

Background and Justification: (continued on page three)

Attachments:

1. Resolution
2. February 27, 2013 letter from the City of Riviera Beach
3. February 22, 2013 letter from Enterprise Florida

Recommended By:

Department Director

Date _____

Approved By:

Assistant County Administrator

Date _____

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2013	2014	2015	2016	2017
Grant Expenditures	\$64,000				
Operating Costs					
External Revenues					
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	\$64,000				

# ADDITIONAL FTE POSITIONS (Cumulative)					
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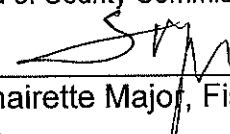
Is Item Included In Current Budget? Yes ☐ No ☒

Budget Account No.:

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


The source of funds are from general fund contingency reserve dollars for the Job Growth Incentive match if so approved by the Board of County Commissioners.

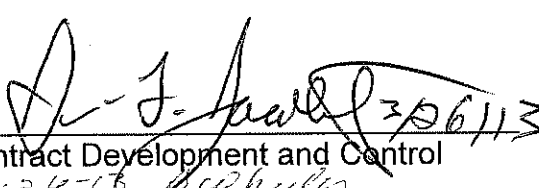
C. Departmental Fiscal Review:


Shairette Major, Fiscal Manager I
3/21/13

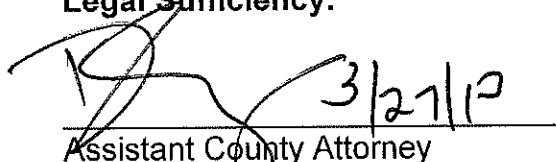
III. REVIEW COMMENTS

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

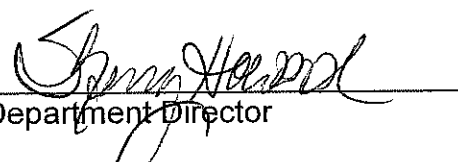

OFMB
3/26/2013
3/21/13


Contract Development and Control
3-26-13

B. Legal Sufficiency:


Assistant County Attorney
3/27/13

C. Other Department Review:


Department Director

(THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT)

Background and Justification: (continued from page one) The JGI Program continues to provide for long term economic growth in Palm Beach County and further diversification of the local economy. The JGI Program is implementing the Board's policy to attract new business to Palm Beach County, to support expanding existing businesses in the County that would otherwise expand elsewhere, and to create employment opportunities for residents of Palm Beach County.

RESOLUTION NUMBER 2013-_____

A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, RECOMMENDING APPROVAL OF SOLARTECH UNIVERSAL, LLC, A NEWLY CREATED CORPORATE ENTITY, AS A QUALIFIED TARGET INDUSTRY (QTI) BUSINESS PURSUANT TO s.288.108, FLORIDA STATUTES; PROVIDING FOR LOCAL FINANCIAL SUPPORT FOR THE QUALIFIED TARGET INDUSTRY TAX PROGRAM NOT TO EXCEED \$64,000

WHEREAS, SOLARTECH UNIVERSAL, LLC, a newly created corporate entity, manufactures solar panels within the United States; and

WHEREAS, the SOLARTECH UNIVERSAL, LLC proposed project will involve the construction of a new manufacturing and research and development facility in Palm Beach County with a total investment of \$11.7 Million; and

WHEREAS, SOLARTECH UNIVERSAL, LLC will create 80 new permanent full-time jobs in Palm Beach County at an average annualized wage of \$47,000, excluding benefits, which is 115% greater than the average wage in Florida; and

WHEREAS, Palm Beach County's Department of Economic Sustainability estimates that the proposed project would result in an Economic Development Return on Investment of \$85 Million; and

WHEREAS, SOLARTECH UNIVERSAL, LLC, a for-profit corporation, has filed a QTI Tax Refund Program application with Enterprise Florida, Inc., to seek State tax refunds; and

WHEREAS, SOLARTECH UNIVERSAL, LLC has been identified as a Target Industry Business and falls within one of the high-impact sectors designated under s.288.108, Florida Statute; and

WHEREAS, Palm Beach County's Job Growth Incentive program is used as local participation for the QTI and 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, Palm Beach County has determined that it will provide a Job Growth Incentive Grant to SOLARTECH UNIVERSAL, LLC in the amount of \$64,000; and

WHEREAS, the City of Riviera Beach has determined that it will provide a Job Growth Incentive Grant to SOLARTECH UNIVERSAL, LLC in the amount of \$64,000; and

WHEREAS, SOLARTECH UNIVERSAL, LLC is aware that the award is contingent upon the company entering into a formal agreement with the County to make a \$11.7 Million capital investment in the new facility in Palm Beach County, creation of 80 permanent full-time jobs within three (3) years at an average annualized salary of \$47,000 and retained for five (5) years from the date of compliance with the job creation requirement.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that the Board hereby recommends SOLARTECH UNIVERSAL, LLC, a newly created corporate entity, be approved as a Qualified Target Industry Business pursuant to s.288.108, Florida Statutes.

BE IT FURTHER RESOLVED, that one half of the local financial support for the Qualified Target Industry Tax Refund exists in the amount of \$64,000 from Palm Beach County, and one half from the City of Riviera Beach which amount will be made available in accordance with the guidelines set forth by the Florida Department of Economic Opportunity with the stipulation that these funds are intended to represent local financial support pursuant to s. 288.108, Florida Statutes.

BE IT FURTHER RESOLVED, that the amount of \$64,000 exists in order to provide a Job Growth Incentive Grant to SOLARTECH UNIVERSAL, LLC.

BE IT FURTHER RESOLVED, that the Palm Beach County Board of County Commissioners has determined the basis of this project's average private sector wage commitment calculation shall be 115% greater than the State's average annual wage.

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:

DISTRICT 1: HAL R. VALECHE	_____
DISTRICT 2: PAULETTE BURDICK	_____
DISTRICT 3: SHELLEY VANA	_____
DISTRICT 4: STEVEN L. ABRAMS, MAYOR	_____
DISTRICT 5: MARY LOU BERGER	_____
DISTRICT 6: JESS R. SANTAMARIA	_____
DISTRICT 7: PRISCILLA A. TAYLOR, VICE MAYOR	_____

The Chair thereupon declared the Resolution duly passed and adopted this ____ day of _____, 2013.

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

**APPROVED AS TO FORM AND
LEGAL SELF SUFFICIENCY**

**ATTEST: SHARON R. BOCK,
CLERK & COMPTROLLER**

By: _____
Dawn S. Wynn
Senior Assistant County Attorney

By: _____
Deputy Clerk



February 22, 2013

Shannon R. LaRocque
Assistant County Administrator
Palm Beach County
301 N Olive Avenue
West Palm Beach, FL 33401

Dear Ms. LaRocque:

With respect to Project Sky, please accept this letter as support for the project on behalf of Enterprise Florida. Based upon the information we have received and that has been provided in the application, and the fact that the Qualified Target Industry Tax Refund program is a performance based incentive, we are comfortable in proceeding with approval. Information in the General Project Overview indicates a maximum QTI award of \$640,000 with the State refund totaling \$512,000 and the Local Financial Support totaling \$128,000.

All awards are contingent upon final approval from the Department of Economic Opportunity, and participation from the local jurisdiction. Any refund is, of course, contingent upon the company meeting its job creation and wage commitments. This letter is not to be construed as final approval. If you have any questions or need additional information, please contact me.

Best Regards,

Joel S. Gunter
Director, Business Development

Attachment # 2





CITY OF RIVIERA BEACH

600 WEST BLUE HERON BLVD.
(561) 845-4010

RIVIERA BEACH, FLORIDA 33404
FAX (561) 840-3353

OFFICE OF
CITY MANAGER

February 27, 2013

REC'D MAR 6 2013

Shannon R. LaRocque
Assistant County Administrator
Palm Beach County
301 N. Olive Avenue
West Palm Beach, FL 33401

Dear Ms. LaRocque:

Please accept this letter as support for "Project Sky" on behalf of the City of Riviera Beach, Florida. With the information provided to City staff along with a review of the project application, and the fact that the Qualified Target Industry Tax Refund program is a performance based incentive program, the City is willing to support the project.

Information in the Project Overview indicates a maximum QTI award of \$640,000, with the State refund totaling \$512,000, and the Local Financial Support totaling \$128,000.

The City of Riviera Beach agrees to fund \$64,000 of the \$128,000 local support requirement. All awards are contingent upon final approval from the City of Riviera Beach City Council. Any contributions from the City of Riviera Beach are further contingent upon the company meeting its job creation and wage commitments as outlined in the project application. This letter is not to be construed as final approval.

If you have any questions or need additional information, please contact me.

Sincerely,

Best Regards,


Danny D. Jones
Interim Deputy City Manager

Attachment #

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