

## AGENDA ITEM SUMMARY

**Department:** Department of Economic Sustainability

**Motion and Title: Staff recommends motion to:**

**B) adopt** a Resolution by the Board of County Commissioners of Palm Beach County, Florida, recommending approval of Project Shield, an existing Florida corporation, 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 \$24,500; and

**Summary:** Project Shield provides life safety and security solutions to companies with over 1,400 employees and 50,000 clients across the Country. Formerly operating under a different name, as a division of a much larger entity, Project Shield has an experienced team of industry veterans with decades of experience. The company is currently expanding due to its recent separation from its parent company. The company is currently located in Boca Raton and is looking to expand its corporate headquarters. The company is also considering the expansion to one of its offices in Texas. The company plans to create 35 new permanent full-time jobs with an average annualized wage of \$110,000, excluding benefits, within two (2) years and retain 20 existing jobs for five (5) years. The new jobs will also be maintained for five (5) years.

Enterprise Florida is recommending to the State of Florida a QTI in the amount of \$245,000 of which \$49,000 is the required local match. The City of Boca Raton has agreed to provide one half of the local match in the amount of \$24,500. 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 \$24 Million. The JGI criteria approved by the Board of County Commissioners (BCC) on September 16, 1997 (R97-1267-D) requires a minimum job creation of 50 jobs. County Administration is recommending an exception to the criteria in consideration of the State and City's willingness to contribute and the local economic Return on Investment. (continued on page three)

**Background and Justification:** (continued on page three)

1. Resolution
2. Letter from Enterprise Florida dated February 26, 2013
3. City of Boca Raton's Resolution No. 19-2013

3-21-13  
Date

3-21-13  
Date

## II. FISCAL IMPACT ANALYSIS

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

| Fiscal Years           | 2013     | 2014 | 2015 | 2016 | 2017 |
|------------------------|----------|------|------|------|------|
| Grant Expenditures     | \$24,500 |      |      |      |      |
| Operating Costs        |          |      |      |      |      |
| External Revenues      |          |      |      |      |      |
| Program Income         |          |      |      |      |      |
| In-Kind Match (County) |          |      |      |      |      |
| NET FISCAL IMPACT      | \$24,500 |      |      |      |      |

|  |  |  |  |  |  |
|--|--|--|--|--|--|
| # ADDITIONAL FTE<br>POSITIONS (Cumulative) |  |  |  |  |  |
|--|--|--|--|--|--|


Is Item Included In Current Budget? Yes \_\_\_\_\_ No  X

Budget Account No.:

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

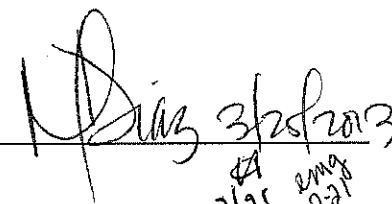
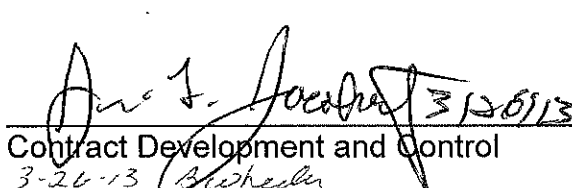
The source of funds is from the general fund contingency reserve dollars for the Job Growth Incentive match if so approved by the Board of County Commissioners.

### 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:

 *3/25/2013*  
 OFMB  
 *3/26/13*  
 Contract Development and Control  
*3-26-13*

### B. Legal Sufficiency:

 *3/27/13*  
 Assistant County Attorney

### C. Other Department Review:

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

**Summary:** (continued from page one) The company will be required to enter into a formal agreement approved by the BCC memorializing their commitments and establishing criteria for funding distribution. At such time, the company name will be disclosed.  
**Funding from the JGI Grant will come from General Fund Contingency Reserves.**  
**District 4 (DW)**

**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 PROJECT SHIELD, 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 \$24,500**

**WHEREAS**, PROJECT SHIELD, provides life safety and security solutions to companies with over 1,400 employees and 50,000 clients across the Country; and

**WHEREAS**, the PROJECT SHIELD proposed project will involve the expansion of its current facility in Boca Raton; and

**WHEREAS**, PROJECT SHIELD will create 35 new permanent full-time jobs in Palm Beach County at an average annualized wage of \$110,000, excluding benefits, which is 200% 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 \$24 Million over five (5) years; and

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

**WHEREAS**, PROJECT SHIELD 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 PROJECT SHIELD in the amount of \$24,500; and

**WHEREAS**, the City of Boca Raton has determined that it will provide a Job Growth Incentive Grant to PROJECT SHIELD in the amount of \$24,500; and

**WHEREAS**, PROJECT SHIELD is aware that the award is contingent upon the company entering into a formal agreement with the County to create 35 new permanent full-time jobs at an average annualized salary of \$110,000 within two (2) years of the effective date of the agreement and retain those jobs for a period of five (5) years. Additionally, the company will be required to maintain 20 existing jobs for a period of five (5) years from the effective date.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA**, that the Board hereby recommends PROJECT SHIELD, 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 \$24,500 from Palm Beach County, and one half from the City of Boca Raton, 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 \$24,500 exists in order to provide a Job Growth Incentive Grant to PROJECT SHIELD.

**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 200% 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 26, 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 Shield, 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 \$245,000 with the State refund totaling \$196,000 and the Local Financial Support totaling \$49,000.

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





## RESOLUTION

19 -2013

1  
2 A RESOLUTION OF THE CITY OF BOCA RATON  
3 RECOMMENDING PROJECT SHIELD BE APPROVED AS A  
4 QUALIFIED APPLICANT FOR STATE INCENTIVES  
5 PURSUANT TO SECTION 288.106, FLORIDA STATUTES;  
6 AUTHORIZING A PAYMENT OF UP TO \$24,500 AS ONE  
7 HALF (1/2) OF THE REQUIRED LOCAL PARTICIPATION  
8 FOR THE QUALIFIED TARGET INDUSTRY TAX REFUND  
9 PROGRAM; PROVIDING FOR SEVERABILITY; PROVIDING  
10 FOR REPEALER; PROVIDING AN EFFECTIVE DATE  
11

12 WHEREAS, Project Shield is a code name given to a company to protect the identity  
13 of the company during the site evaluation and economic development incentive application  
14 processes; and

15 WHEREAS, Project Shield is a national life safety and security company, with its  
16 temporary headquarters in Boca Raton; and

17 WHEREAS, Project Shield is reviewing locations for its permanent corporate  
18 headquarters, including the City and a location in another state; and  
19

1           WHEREAS, in addition to retaining the current corporate staff, Project Shield would  
2 create 35 jobs with an average salary of \$110,000; and

3           WHEREAS, Project Shield applied to the State of Florida for participation in the  
4 State's Qualified Target Industry Tax Refund (QTI) Program; and

5           WHEREAS, a local match is required for this State incentive program; and

6           WHEREAS, the local match required for the QTI Program is \$49,000; and

7           WHEREAS, Palm Beach County has agreed to pay one half of the local match; and

8           WHEREAS, the City of Boca Raton City Council recognizes the importance of  
9 economic development in the City and deems approval of this resolution to be in the best  
10 interest of the citizens and residents of the City of Boca Raton; now therefore

11  
12           BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BOCA  
13 RATON:

14  
15           Section 1. That the City Council recommends that Project Shield be approved as a  
16 Qualified Target Industry Business pursuant to Section 288.106, Florida Statutes.

17           Section 2. That the City Council authorizes the payment of up to \$24,500 for the  
18 Qualified Target Industry Tax Refund Program, which amount is the one half (1/2) of the  
19 necessary local commitment of the Qualified Target Industry (QTI) Tax Refund Program  
20 required under Section 288.106, Florida Statutes, subject to confirmation by Florida Department  
21 of Economic Development (DEO), or other appropriate entity, that the requirements of the  
22 Qualified Target Industry Tax Refund Program have been satisfied by Project Shield, and that  
23 this amount will be available consistent with the guidelines set forth by the Department of  
24 Economic Opportunity, and will be paid to the Department of Economic Opportunity, or other  
25 appropriate entity, with the stipulation that these funds are intended to represent the "local  
26 participation" required by Section 288.106, Florida Statutes.



Section 3. That all payments authorized by this resolution are subject to an agreement between the City and Project Shield being executed.

Section 4. If any section, subsection, clause or provision of this resolution is held invalid, the remainder shall not be affected by such invalidity.

Section 5. All resolutions or parts of resolutions in conflict herewith shall be and hereby are repealed.

**Section 6.** This resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the City Council of the City of Boca Raton this 12<sup>th</sup>  
day of March, 2013.

CITY OF BOCA RATON, FLORIDA

**ATTEST:**

Susan S. Saxton  
Susan S. Saxton, City Clerk

  
Susan Whelchel, Mayor

A handwritten signature in black ink, appearing to be "JLA", written over two horizontal lines. The signature is stylized with loops and crosses.

| COUNCIL VOTE                      |     |    |           |
|-----------------------------------|-----|----|-----------|
|                                   | YES | NO | ABSTAINED |
| MAYOR SUSAN WHELCHER              | ✓   |    |           |
| DEPUTY MAYOR SUSAN HAYNIE         | ✓   | ✓  |           |
| COUNCIL MEMBER ANTHONY MAJHESS    | ✓   | ✓  |           |
| COUNCIL MEMBER MICHAEL MULLAUGH   | ✓   | ✓  |           |
| COUNCIL MEMBER CONSTANCE J. SCOTT | ✓   |    |           |