

5A-1

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: March 10, 2015 [] Consent [X] Regular [] Ordinance [] Public Hearing
Submitted by: Department of Economic Sustainability
Submitted for: County Administration

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to:

A) adopt a Resolution by the Board of County Commissioners of Palm Beach County, Florida, recommending approval of Project Pisces, a company authorized to do business in the State of Florida, as a Qualified Target Industry (QTI) business pursuant to s.288.106, Florida Statutes; providing for local financial support for the Qualified Target Industry Tax Program not to exceed \$82,500; and

B) conceptually approve an Economic Development Incentive for Project Pisces in the amount of \$82,500 in the form of a Job Growth Incentive Grant as a portion of the local match for a State QTI Grant; and

C) conceptually approve an Economic Development Incentive for Project Pisces in the amount of \$417,500 in the form of a Job Growth Incentive Grant as a portion of a local match for the State Quick Action Closing Fund.

Summary: Project Pisces is a corporate headquarters expansion project that currently employs approximately 149 people at its Riviera Beach facility. The company plans to make a \$6.5 Million capital investment on renovations and equipment, create 275 new jobs over a three (3) year period at an average annual wage of \$57,500, excluding benefits, and retain its 149 existing jobs. The company will be required to maintain the new and retained jobs for a period of five (5) years.

It is anticipated that the State of Florida will provide \$825,000 in the form of a Qualified Target Industry Tax Refund (QTI) which includes a required 20% local match of \$165,000 which will be split equally between the County (\$82,500) and the City of Riviera Beach (\$82,500). Additionally, Enterprise Florida will also be recommending that the company receive \$3 Million under the Quick Action Closing Fund (QACF) and will request a local match of \$417,000 from the County, and \$167,500 from the City of Riviera Beach. The JGI Grants, which will be paid over a period of six (6) years, will be secured by a Letter of Credit, Bond, Corporate Guarantee or equivalent. The company will be required to enter into a formal agreement memorializing their commitments and establishing criteria for funding distribution. At such time the company name will be disclosed. The five (5) year local economic impact is estimated to be \$339 Million. Funding for the Job Growth Incentive Grant will come from General Fund Contingency Reserves. District 7 (JB)

Background and Justification: The Economic Development Incentive/JGI Program continues to provide long term economic growth in Palm Beach County and further diversification of the local economy. The Program is implementing the Board's policy to attract new business to Palm Beach County, to support expanding business in the County that would otherwise expand elsewhere, and to create employment opportunities for residents of Palm Beach County.

Attachment: Resolution

Recommended By: [Signature] Department Deputy Director Date: 2-9-15

Approved By: Assistant County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2015	2016	2017	2018	2019
Capital Expenditures	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Operating Costs					
External Revenues					
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000

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


Budget Account No.:

Fund _____ Dept _____ Unit _____ Object _____ Program Code/Period _____

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
 2/11/15

III. REVIEW COMMENTS

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

OFMB

Contract Development and Control

B. Legal Sufficiency:

Assistant County Attorney

C. Other Department Review:

Department Director

RESOLUTION NUMBER R2015-_____

A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, RECOMMENDING APPROVAL OF PROJECT PISCES, A COMPANY AUTHORIZED TO DO BUSINESS IN THE STATE OF FLORIDA, AS A QUALIFIED TARGET INDUSTRY (QTI) BUSINESS PURSUANT TO s.288.106, FLORIDA STATUTES; PROVIDING FOR LOCAL FINANCIAL SUPPORT FOR THE QUALIFIED TARGET INDUSTRY TAX PROGRAM NOT TO EXCEED \$82,500.

WHEREAS, PROJECT PISCES is considering expanding their headquarters in Riviera Beach, Florida; and

WHEREAS, the PROJECT PISCES project will involve the renovation of an existing building and the purchase of machinery and equipment; and

WHEREAS, PROJECT PISCES will create 275 new permanent full-time jobs in Palm Beach County at an average wage of \$57,500, excluding benefits, which is at least 115% greater than the average wage in the State of Florida, and will retain 149 existing jobs; and

WHEREAS, Palm Beach County's Department of Economic Sustainability estimates that the proposed project would result in an economic impact of \$339 Million over five (5) years; and

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

WHEREAS, PROJECT PISCES has been identified as a target Industry Business and falls within one of the high-impact sectors designated under s.288.108, Florida Statutes; and

WHEREAS, Palm Beach County's Job Growth Incentive Program is utilized 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 one half of the local financial support in the form of a Job Growth Incentive Grant to PROJECT PISCES in the amount of \$82,500; and

WHEREAS, the City of Riviera Beach has determined that it will provide one half of the local financial support in the form of a Job Growth Incentive Grant to PROJECT PISCES in the amount of \$82,500; and

WHEREAS, the State of Florida has committed to provide \$825,000 to PROJECT PISCES under the QTI Program; and

WHEREAS, PROJECT PISCES is aware that the award is contingent upon the company entering into a formal agreement with the County to create 275 permanent jobs at an average annual wage of \$57,500 within three (3) years of the effective date of the agreement and retain 149 existing jobs, and maintain those new and retained jobs for a period of five (5) years.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that the Board hereby recommends PROJECT PISCES, a company authorized to do business in the State of Florida, be approved as a Qualified Target Industry Business pursuant to s.288.106, 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 \$82,500 from Palm Beach County, and one half from the City of Riviera Beach in the amount of \$82,500, which amounts 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.288.106, Florida Statutes.

BE IT FURTHER RESOLVED, that **Palm Beach County Board of County Commissioners** has determined the basis of this project's average private wage sector commitment shall be at least 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 vote, the vote was as follows:

- Commissioner Shelley Vana, Mayor** - _____
- Commissioner Mary Lou Berger, Vice Mayor** - _____
- Commissioner Hal R. Valeche** - _____
- Commissioner Paulette Burdick** - _____
- Commissioner Steven L. Abrams** - _____
- Commissioner Melissa McKinlay** - _____
- Commissioner Priscilla A. Taylor** - _____

The Mayor thereupon declared the Resolution duly passed and adopted this _____ day of _____, 2015.

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

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

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

By: _____
James Brako
Assistant County Attorney

By: _____
Deputy Clerk