

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

Meeting Date: **June 23, 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 Fan, 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 Refund Program not to exceed \$15,000; and

B) conceptually approve an Economic Development Incentive for Project Fan to serve as the local match for the State QTI Tax Refund in the amount of \$15,000 in the form of a Job Growth Incentive (JGI) Grant, to be paid over a five (5) year period according to the State QTI Refund Schedule.


Summary: Project Fan is a regional manufacturing headquarters relocation project that plans to make a \$1.74 Million capital investment on renovations and equipment at an existing facility in Palm Beach County and create 25 new full-time jobs by December 31, 2017 at an average annual wage of \$48,813, excluding benefits. The company will be required to maintain the new jobs for a period of five (5) years.

It is anticipated that the State of Florida will provide \$75,000 in the form of a Qualified Target Industry (QTI) Tax Refund which includes a required 20% local match of \$15,000. The JGI Grant 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 \$55.7 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: James Howard 6-10-15
Department Deputy Director Date

Approved By:  6/18/15
Assistant County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2015	2016	2017	2018	2019
Capital Expenditures	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Operating Costs					
External Revenues					
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000

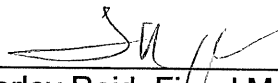
# ADDITIONAL FTE POSITIONS (Cumulative)					
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Is Item Included In Current Budget? Yes _____ No X
Budget Account No.:

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


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

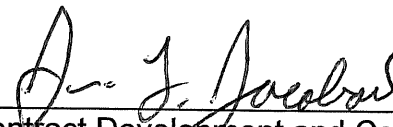
The source of funds is from the general fund contingency reserve dollars for the Job Growth Incentive match if so approved by the Board of County Commissioners.

C. Departmental Fiscal Review:  6-10-15
Beverley Reid, Fiscal Manager I
6/10/15

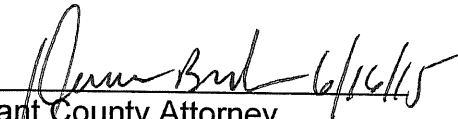
III. REVIEW COMMENTS

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


OFMB 6/11 6/11

 6/15/15
Contract Development and Control
6-15-15 Reheeler

B. Legal Sufficiency:

 6/16/15
Assistant County Attorney

C. Other Department Review:

Department Director

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

RESOLUTION NUMBER R2015-_____

A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, RECOMMENDING APPROVAL OF PROJECT FAN, 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 REFUND PROGRAM NOT TO EXCEED \$15,000.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, as follows:

WHEREAS, PROJECT FAN is considering relocating their regional headquarters to Palm Beach County, Florida; and

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

WHEREAS, PROJECT FAN will create 25 new permanent full-time jobs in Palm Beach County by December 31, 2017, at an average wage of \$48,813 excluding benefits, which is at least 115% of the average wage in the State of Florida; and

WHEREAS, Palm Beach County's Department of Economic Sustainability estimates that the proposed project would result in an economic impact of \$55.7 Million over five (5) years; and

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

WHEREAS, PROJECT FAN has been identified as a target Industry business as defined under s.288.106, 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 local financial support in the form of a Job Growth Incentive Grant to PROJECT FAN in the amount of \$15,000; and

WHEREAS, the State of Florida has committed to provide a total of \$75,000 to PROJECT FAN under the QTI Program; and

WHEREAS, PROJECT FAN is aware that the award is contingent upon the company entering into a formal agreement with the County to create 25 permanent jobs at an average annual wage of \$48,813 by December 31, 2017, and maintain those new 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 FAN, 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 the local financial support for the Qualified Target Industry Tax Refund exists in the amount of \$15,000 from Palm Beach County, which 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 the Palm Beach County Board of County Commissioners has determined the basis of this project's average private sector wage 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