Agenda Item #: 4A4 ADD ON

# PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

#### **AGENDA ITEM SUMMARY**

**Meeting Date:** 

July 7, 2015

[ ] Consent

[X] Regular

[ ] Public Hearing

[ ] Ordinance

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 Listen, 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 \$70,000; and

**B)** conceptually approve an Economic Development Incentive for Project Listen to serve as a portion of the local match for a State QTI Tax Refund, in the amount of \$70,000 in the form of a Job Growth Incentive (JGI) Grant, to be paid over a seven (7) year period according to the State's QTI Refund Schedule.

**Summary:** Project Listen is a headquarters relocation project that plans to make a \$4.85 Million capital investment to acquire, renovate and equip an existing facility in Palm Beach County and create 100 new full-time jobs within four (4) years. The annualized average wage for these new jobs, including executives will be \$84,892 and annualized average wage, excluding executives, will be \$84,721. 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 \$700,000 in the form of a Qualified Target Industry (QTI) Tax Refund which includes a required 20% local match of \$140,000. One half of the local match will be provided by the City of West Palm Beach through a grant in the amount of \$70,000, and the other half will be provided by the County through a JGI Grant in the amount of \$70,000. The JGI Grant will be paid over a period of seven (7) years according to the State's QTI Refund Schedule, and 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 \$35.9 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:

Pepartment Deputy Director

Date

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	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Operating Costs					
External Revenues					
Program Income			-		
In-Kind Match (County)				7872	
NET FISCAL IMPACT	\$10,000	\$10,000	\$10,000	\$1 <i>0</i> ,000	\$10,000
# ADDITIONAL FTE POSITIONS (Cumulative)					
s Item Included In Curre Budget Account No.:	nt Budget?	Yes	No <u>X</u>		
Fund Dept U	nit Ob	oject F	Program Cod	e/Period	
B. Recommended So	urces of Fur	ıds/Summary	of Fiscal Ir	npact:	
c. Departmental Fisc		Shairette Ma	V	anager II	
. OFMB Fiscal and/o Budget Amendme is brought before	or Contract D ent will be re the Boa	Development requested and.	and Contro when the	Comments	: veement
SMU /OFMB KN-WIJ &	Zm_	Contr	act Developr	ment and co	7//// <u>5</u> htrol
Legal Sufficiency:					
Assistant County Att					
C. Other Department	Review:				
Department Director		_			

A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, RECOMMENDING APPROVAL OF PROJECT LISTEN, 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 \$70,000.

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

**WHEREAS**, PROJECT LISTEN is considering relocating their headquarters to Palm Beach County, Florida; and

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

WHEREAS, PROJECT LISTEN will create 100 new permanent full-time jobs in Palm Beach County within four (4) years at an annualized average wage of \$84,892 excluding benefits, which is at least 200% 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 \$35.9 Million over five (5) years; and

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

WHEREAS, PROJECT LISTEN 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 one half of the required local financial support in the form of a Job Growth Incentive Grant to PROJECT LISTEN in the amount of \$70,000; and

WHEREAS, the City of West Palm Beach has determined that it will provide one half of the required local financial support in the form of a grant to PROJECT LISTEN in the amount of \$70,000; and

WHEREAS, the State of Florida has committed to provide a total of \$700,000 to PROJECT LISTEN under the QTI Program; and

WHEREAS, PROJECT LISTEN is aware that the award is contingent upon the company entering into a formal agreement with the County to create 100 permanent jobs at an annualized average wage of \$84,892 within four (4) years, 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 LISTEN, 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 \$70,000 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 200% of the State's average annual wage.

This resolution shall take effect imme	ediately upon its adoption.
The foregoing Resolution was offered its adoption. The motion was seen being put to vote, the vote was as for	
Commissioner Shelle Commissioner Mary I Commissioner Hal R. Commissioner Paulet Commissioner Steven Commissioner Meliss Commissioner Priscil	Lou Berger, Vice Mayor - Valeche - Country - C
The Mayor thereupon declared the Iday of, 2015.	Resolution duly passed and adopted this
	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: