

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date:	September 22, 2015	<input type="checkbox"/> Consent	<input checked="" type="checkbox"/> Regular
		<input type="checkbox"/> Ordinance	<input type="checkbox"/> Public Hearing
Submitted by:	Department of Economic Sustainability		
Submitted for:	County Administration		

I. EXECUTIVE BRIEF



Motion and Title: Staff recommends motion to conceptually approve: an Economic Development Incentive for Project Tiger in the form of an Ad Valorem Tax Exemption over ten (10) years, in an amount not to exceed \$850,000.

Summary: Project Tiger is considering a site in the unincorporated Glades region of Palm Beach County for the location of its new manufacturing facility that plans to make a \$40 Million capital investment for the construction of a 90,000 sq. ft. plant. The project will create 71 new full-time jobs over a five (5) year period at an average annual wage of \$50,000 excluding executive salaries and benefits. The company will be required to maintain the new jobs for a period of five (5) years from the date each job is created. The State of Louisiana is also competing for this project.

The State has not made a determination on incentives for this project. The incentive recommendation is based on the fact that the project will be located in the Glades region of Palm Beach County where dire economic conditions persist with poverty rates exceeding 30% and unemployment rates exceeding 20% in census tracts (approximately double and quadruple the national averages respectively). The company will be required to enter into a formal agreement approved by the Board of County Commissioners (BCC) 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 \$162 Million. District 6 (JB)

Background and Justification: The Economic Development Incentive 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 of County Commissioners' 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. The County's Ad Valorem Tax Exemption Program may be used as local participation for the State Qualified Target Industry and Quick Action Closing Fund Programs.

Attachment(s): Letter from Palm Beach County dated September 17, 2015

Recommended By:		9-16-15
	Department Deputy Director	Date
Approved By:		9/18/15
	Assistant County Administrator	Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2015	2016	2017	2018	2019
Capital Expenditures					
Operating Costs					
External Revenues	\$85,000	\$85,000	\$85,000	\$85,000	\$85,000
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	\$85,000	\$85,000	\$85,000	\$85,000	\$85,000

# 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 _____

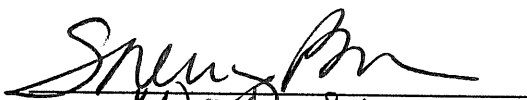
B. Recommended Sources of Funds/Summary of Fiscal Impact:

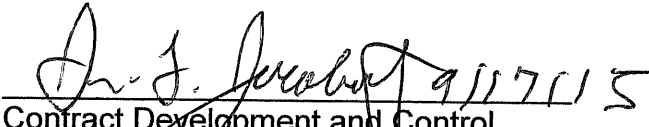
The source of the County's Incentive is a ten (10) year Ad Valorem Tax Exemption if approved by the Board of County Commissioners.

C. Departmental Fiscal Review: 
Shairette Major, Fiscal Manager II

III. REVIEW COMMENTS

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


OFMB 9/16 9/16


Contract Development and Control 9/17/15

B. Legal Sufficiency:


Assistant County Attorney 9/17/15

C. Other Department Review:

Department Director

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



Department of Economic
Sustainability

Business Investments

100 Australian Avenue
Suite #500

West Palm Beach, FL 33406

(561) 233-3660

FAX: (561) 656-7553

Palm Beach County
Board of County
Commissioners

Shelley Vana, Mayor

Mary Lou Berger, Vice Mayor

Hal R. Valeche

Paulette Burdick

Steven L. Abrams

Melissa McKinlay

Priscilla A. Taylor

County Administrator

Verdenia C. Baker

Equal Housing
Opportunity

"An Equal Opportunity
Affirmative Action Employer"

September 17, 2015

Ms. Kelly Smallridge, President and CEO
Business Development Board of Palm Beach County, Inc.
310 Evernia Street
West Palm Beach, FL 33401

Dear Ms. Smallridge:

Palm Beach County Administration is very pleased that Project Tiger is considering a site in the unincorporated Glades region of Palm Beach County for the location of its new manufacturing facility. It is our understanding that the project will include a capital investment of \$40 Million, the construction and equipping of a 90,000 sq. ft. plant, and the creation of 71 new jobs over a five (5) year period at an annualized average wage of \$50,000. Based on the limited information received, we estimate that the economic impact of the project would be \$162 Million over five (5) years.

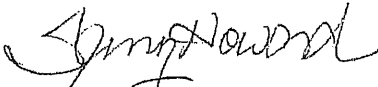
Additionally, we understand that the State of Florida is currently evaluating other sources of funds to facilitate this project. Based upon these factors, Palm Beach County Administration will recommend to the Board of County Commissioners an incentive in the form of an Ad Valorem Tax Exemption in an amount up to \$850,000 for a period not to exceed ten (10) years. The exemption would be conditioned upon the company being deemed eligible under the County's Economic Development Ad Valorem Tax Exemption Program, as governed by s.196.1995, Florida Statutes.

As we are not privy to information we would normally review prior to making a recommendation, we reserve the right to modify or withdraw our recommendation should we become aware of any information that would have affected our decision at the time of our consideration.

I look forward to further discussions on this exciting subject.

Should you have any questions or need any additional information, please do not hesitate to contact me directly at (561) 355-2428.

Best Regards,


Shannon R. LaBocque, P.E.
Assistant County Administrator

cc: Verdenia C. Baker, County Administrator
Sherry Howard, Deputy Director, Department of Economic Sustainability