PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date:	October 3, 2017	[] Consent [] Ordinance	[X] Regular [] Public Hearing		
Submitted by:	Department of Housing and Economic Sustainability				
Submitted for:	County Administration	จท			

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 Wizard, a foreign limited liability company that will be required to register and be 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 \$30,000; and providing for an effective date; and

B) conceptually approve an Economic Development Incentive for Project Wizard in the form of a cash incentive over eight (8) years, in an amount not to exceed \$30,000.

Summary: Project Wizard is contemplating establishing the corporate headquarters for its financial services/information technology company in Boca Raton and Connecticut. The project will invest \$2 Million to lease, renovate, and equip a 10,000 square foot facility and create 50 new jobs over a five (5) year period at an annualized average wage of \$75,987. The estimated five (5) year local economic impact is \$54 Million.

The business qualifies for the Qualified Targeted Industry (QTI) Tax Refund program which continues to be funded by the Legislature. The Company is being offered a \$300,000 incentive. Of this amount, \$240,000 is from the State of Florida and \$60,000 is a required match from local government entities. Palm Beach County and the City of Boca Raton will equally share the required local match. Palm Beach County's portion of the local match will be provided as a cash grant in an amount not to exceed \$30,000. The incentive will be provided over an eight (8) year period as long as the project meets the requirements under State of Florida. Palm Beach County's grant will be paid according to the State's QTI Refund Schedule, and will be secured by a letter of credit or bond. The company will be required to enter into a formal agreement memorializing their commitments and establishing terms under which the local match will be disbursed. The company name will be disclosed at such time. District 4 (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 Commissioner'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. The County's Economic Development Incentive Program may be used as local participation for the State QTI program.

Attachment(s):

Administration Letter of Support
Resolution

Recommended By: _	Department Director	9/20/17	
	Department Director	Date '	
		2410	
Approved By:	nor Johnson	9/24/17	
	Assistant County Administrator	Date	
	•		

Agenda Item #: 5A-2

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2018	2019	2020	2021	2022
Grant-Expenditures	\$1,500	\$3,000	\$ 4,500	\$6,000	\$6,000
Operating Costs		· · · · · · · · · · · · · · · · · · ·			
External Revenues	C	· - ·			
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	\$1,500	\$3,000	\$4,500	\$6,000	\$6,000

# ADDITIONAL FTE	and - all and shifter - day the area		
POSITIONS (Cumulative)			

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 for the Economic Development Incentive match. The annual fiscal impact will be over eight years not-to-exceed \$30,000.

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Contract Development and Control

C. Departmental Fiscal Review: Beverley Reid, Fiscal Manager I

III. REVIEW COMMENTS

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

O MR

B. Legal Sufficiency:

9/24/17

Assistant County Attorney

C. Other Department Review:

Department Director



Department of Housing and Economic Sustainability

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> > 76

Palm Beach County Board of County Commissioners

Paulette Burdick, Mayor

Melissa McKinlay, Vice Mayor

Hal Valeche

Dave Kerner

Steven L. Abrams

Mary Lou Berger

Mack Bernard

County Administrator

Verdenia C. Baker

"An Equal Opportunity Affirmative Action Employer" August 24, 2017

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 is pleased with the efforts of Project WIZARD to establish its corporate headquarters in Palm Beach County. We understand the project will invest \$2 million to lease, renovate, and equip a 10,000 square foot facility and create 50 new jobs over a five (5) year period at an annualized median wage of \$75,987. We estimate the economic impact of the project on Palm Beach County's local economy will be \$54.9 million over five (5) years.

The State of Florida is considering a \$300,000 incentive package in Qualified Target Industry (QTI) tax refunds. Of this amount, \$240,000 is from the State of Florida and \$60,000 is the required local match from local governmental entities, split equally between Palm Beach County and the City of Boca Raton.

Based on the information provided, the Department of Housing and Economic Sustainability is willing to recommend to the Board of County Commissioners approval of an Economic Development Incentive of up to \$30,000 in the form of a cash incentive over an eight (8) year period to satisfy the local match requirement.

The County reserves the right to modify or withdraw our recommendation should we become aware of any information that would have affected our decision had such information been disclosed to us at the time of our consideration. In addition, please understand this is only a recommendation and would require a favorable vote by the Board of County Commissioners after negotiation of a formal agreement.

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) 233-3602.

Best Regards,

Jonathan B. Brown Director Department of Housing and Economic Sustainability

cc: Sherry Howard, Deputy Director, Department of Housing and Economic Sustainability

RESOLUTION NUMBER R2017-

A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, RECOMMENDING APPROVAL OF PROJECT WIZARD, 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 \$30,000; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, PROJECT WIZARD is considering establishing the corporate headquarters for its financial services /information technology company in Boca Raton, Florida; and

WHEREAS, PROJECT WIZARD will involve the lease and renovation of a 10,000 square foot facility; and the purchase of machinery and equipment; and

WHEREAS, PROJECT WIZARD will create 50 new permanent full-time jobs in Palm Beach County at an average wage of \$75,987 excluding benefits, which is at least 150% or greater than the average wage in the State of Florida; and

WHEREAS, Palm Beach County's Department of Housing and Economic Sustainability estimates the proposed project would result in an economic impact of \$54.9 million over five (5) years; and

WHEREAS, the Board of County Commissioners of Palm Beach County hereby acknowledges that local financial support of 20% of the total QTI tax refund is required under the provisions of s.288.106, Florida Statutes, governing the State's QTI Program; and

WHEREAS, the City of Boca Raton has determined it will provide one half of the required local financial support to PROJECT WIZARD in the amount of \$30,000; and

WHEREAS, Palm Beach County has determined it will provide one half of the required local financial support in the form of an Economic Development Incentive Grant to PROJECT WIZARD in the amount of \$30,000; and

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

WHEREAS, PROJECT WIZARD 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 Economic Development 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, PROJECT WIZARD is aware that the award is contingent upon the company entering into a formal agreement with the County to create 50 permanent jobs at an average annual wage of \$75,987 within five (5) 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 WIZARD, 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 necessary cash commitment of local financial support for the Qualified Target Industry Tax Refund Program exists for PROJECT WIZARD in the amount of \$60,000; that one half of the required local financial support in the amount of \$30,000 will be provided from Palm Beach County and one half of the required local financial support in the amount of \$30,000 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 wage sector commitment shall be at least 150% or 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 Paulette Burdick, Mayor	-
Commissioner Melissa McKinlay, Vice Mayor	
Commissioner Hal R. Valeche	-
Commissioner Dave Kerner	=
Commissioner Steven L. Abrams	-
Commissioner Mary Lou Berger	=
Commissioner Mack Bernard	=

The Mayor thereupon declared the Resolution duly passed and adopted this ______ day of ______, 20___.

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