

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: October 3, 2017 [] Consent [X] Regular [] Ordinance [] Public Hearing
Submitted by: Department of Housing and 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 Panther, 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 \$60,000; and providing for an effective date; and

B) conceptually approve an Economic Development Incentive for Project Panther in the form of a cash incentive over five (5) years, in an amount not to exceed \$60,000.

Summary: Project Panther is contemplating establishing its manufacturing business in Palm Beach County, as well as Connecticut and Georgia. The project will invest \$18.5 Million to purchase, renovate, and equip a 32,000 square foot facility and create 50 new jobs over a two (2) year period at an annualized average wage of \$75,000. The estimated five (5) year local economic impact is \$210 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 will provide the required local match as a cash grant in an amount not to exceed \$60,000. The incentive will be provided over a five (5) 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 1 (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 businesses to Palm Beach County, to support expanding businesses 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):

- 1. Administration Letter of Support
2. Resolution

Recommended By: Jonathan Braun Department Director Date: 9/15/17

Approved By: Laura Johnson Assistant County Administrator Date: 9/28/17

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2018	2019	2020	2021	2022
Grant-Expenditures	\$10,500	\$15,000	\$15,000	\$15,000	\$4,500
Operating Costs					
External Revenues					
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	\$10,500	\$15,000	\$15,000	\$15,000	\$4,500

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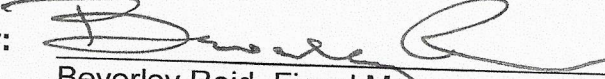
Is Item Included In Current Budget? Yes _____ No X

Budget Account No.:

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

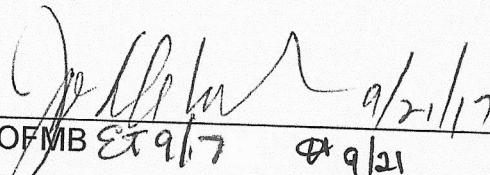
B. Recommended Sources of Funds/Summary of Fiscal Impact:

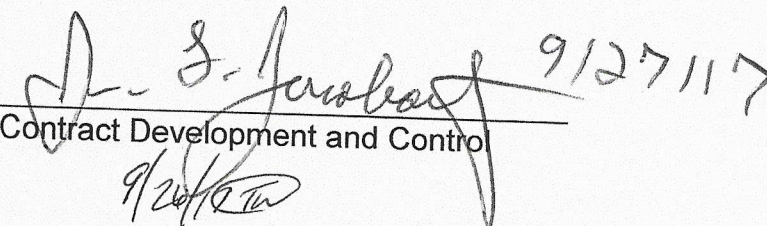
The source of funds is from the general fund contingency reserve for the Economic Development Incentive match.

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

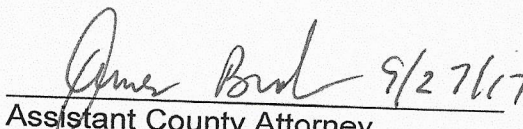
III. REVIEW COMMENTS

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


OFMB 9/21/17


Contract Development and Control 9/27/17

B. Legal Sufficiency:


Assistant County Attorney 9/27/17

C. Other Department Review:

Department Director



August 29, 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 PANTHER to establish its manufacturing business in Palm Beach County. The project will invest \$18.5 million to purchase, renovate, and equip a 32,000 square foot facility and create 50 new jobs over a two (2) year period at an annualized median wage of \$75,000. We estimate the economic impact of the project on Palm Beach County's local economy will be \$210.58 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.

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 \$60,000 in the form of a cash incentive over a five (5) 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

Department of
Housing & Economic
Sustainability

Administration

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Board of County
Commissioners

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Melissa McKinlay, Vice Mayor

Hal R. Valeche

Dave Kerner

Steven L. Abrams

Mary Lou Berger

Mack Bernard

County Administrator

Verdenia C. Baker

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RESOLUTION NUMBER R2017-_____

A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, RECOMMENDING APPROVAL OF PROJECT PANTHER, 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 \$60,000; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, PROJECT PANTHER is considering establishing its manufacturing business in Palm Beach County; and

WHEREAS, PROJECT PANTHER will involve the purchase and renovation of a 32,000 square foot facility; and the purchase of machinery and equipment; and

WHEREAS, PROJECT PANTHER will create 50 new permanent full-time jobs in Palm Beach County at an average wage of \$75,000 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 that the proposed project would result in an economic impact of \$210.58 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, Palm Beach County has determined that it will provide the required 20% of local financial support in the form of an Economic Development Incentive Grant to PROJECT PANTHER in the amount of \$60,000; and

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

WHEREAS, PROJECT PANTHER, 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 PANTHER 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 \$75,000 within two (2) 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 PANTHER, 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 PANTHER in the amount of \$60,000; that local financial support for the Qualified Target Industry Tax Refund in the amount of \$60,000 will be provided from Palm Beach County, which amount 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