PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date:	August 14, 2018	[] Consent [] Ordinance	[X] Regular [] Public Hearing	
Submitted by:	Department of Housing and Economic Sustainability			
Submitted for:	County Administration	on		

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 Mercury, 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 \$45,000 over a six (6) year period; providing for severability; and providing for an effective date; and

B) conceptually approve an Economic Development Incentive for Project Mercury in the form of a cash incentive over six (6) years, in an amount not to exceed \$45,000.

Summary: Project Mercury, a provider of emergency response systems, is contemplating expanding their facility in Palm Beach County or moving to Alabama. The project will invest \$3.6 Million to improve and equip an existing facility and create 150 new jobs over a three (3) year period at an annualized average wage of \$53,298. The project also will retain 198 existing jobs. The estimated five (5) year local economic impact is \$295 Million.

The business qualifies for the Qualified Target Industry (QTI) Tax Refund program which continues to be funded by the Florida Legislature. The Company is being offered a \$450,000 incentive. Of this amount, \$360,000 is from the State of Florida and \$90,000 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 \$45,000. The incentive will be provided over a period of six (6) years provided the project meets the State of Florida requirements. 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 cash 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 Policy Issues: 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.

Attachment(s): 1. Resolution

Recommended By:	Snother Brown	7/23/18
	Department Director	Date
Approved By:	711 3 3 Dun	४ ५।१४
	Assistant County Administrator	Date

II. FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact: A.

Fiscal Years	2018	2019	2020	2021	2022
Grant Expenditures	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500
Operating Costs					
External Revenues					
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500

Operating Costs					
External Revenues					
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500
# ADDITIONAL FTE POSITIONS (Cumulative)					
Is Item Included In Currer Does this Item include the		eral funds?	Yes Yes	No X No X	- -
Budget Account No.:					
Fund Dept Ur	nit Ob	ject l	Program Cod	e/Period	
B. Recommended Sou	rces of Fun	ds/Summar	y of Fiscal II	npact:	
The source of funds is from the general fund contingency reserve for the Economic Development Incentive. The annual fiscal impact is over a 6 year period not to exceed \$45,000. Therefore, in addition to the allocations above FY 2023 = \$7,500.					
C. Departmental Fiscal Review: Beverley Reid, Fiscal Manager I					
III. REVIEW COMMENTS					
A. OFMB Fiscal and/o	Contract D	evelopment	and Contro	l Comments) :
OFMB PONZY	7 los he	aptila Cohin	ract Developr	nent and Co	Bar 8/6)
B. Legal Sufficiency:					
Assistant County Atto	- 8/7/18 orney	_			

Other Department Review: C.

Department Director

A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, RECOMMENDING APPROVAL OF PROJECT MERCURY, 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 \$45,000 OVER A SIX (6) YEAR PERIOD; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE; AND

WHEREAS, PROJECT MERCURY is considering expanding operations in Palm Beach County; and

WHEREAS, PROJECT MERCURY will involve the renovation of an existing facility, and purchase of equipment; and

WHEREAS, PROJECT MERCURY will create 150 new permanent full-time jobs in Palm Beach County at an average wage of \$53,298 excluding benefits, which is at least 115% 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 \$295,960,000 over five (5) years; and

WHEREAS, PROJECT MERCURY has been identified as a Target Industry Business, and is eligible to apply for the Qualified Target Industry Tax Refund (QTI) pursuant to s.288.106, Florida Statutes; and

WHEREAS, the Board of County Commissioners of Palm Beach County hereby acknowledges that local financial support of 10% of the total QTI 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 MERCURY in the amount of \$45,000; and

WHEREAS, Palm Beach County has determined it will provide one half of the required local financial support as Economic Development Incentive to PROJECT MERCURY in the form of a cash grant in amount not to exceed \$45,000 over a six (6) year period; and

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

WHEREAS, PROJECT MERCURY has been identified as a target industry business designated under s.288.108, Florida Statutes; and

WHEREAS, the Palm Beach County 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 MERCURY is aware that the award is contingent upon the company entering into a formal agreement with the County to create 150 permanent jobs at an average annual wage of \$53,298 within three (3) years and maintain those new jobs for a period of five (5) years; and

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that the Board hereby recommends PROJECT MERCURY, 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 MERCURY in the amount of \$90,000; that one half of the local financial support in the amount of \$45,000 will be provided from Palm Beach County, and one half of the required local financial support in the amount of \$45,000 will be provided from the City of Boca Raton, which amounts 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 115% or greater than the State's average annual wage.

SEVERABILITY

If any section, paragraph, sentence, clause or word of this Resolution is for any reason held by the Court to be unconstitutional, inoperative, or void, such holding shall not affect the remainder of this Resolution.

EFFECTIVE DATE

This resolution shall take effect immediately up	pon its passage	and adoption.
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This resolution shall take effect infiffed	lately upon its passage and adoption.
The foregoing Resolution was offered its adoption. The motion was seconder put to vote, the vote was as follows:	by Commissioner, who moved ed by Commissioner, and being
Commissioner Melissa Commissioner Mack Be Commissioner Hal R. Va Commissioner Paulette Commissioner Dave Ke Commissioner Steven L Commissioner Mary Lo	ernard, Vice Mayoraleche Burdick erner
The Mayor thereupon declared the Reday of, 2018.	solution 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: Deputy Clerk