

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERSAGENDA ITEM SUMMARY

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**Meeting Date:** September 10, 2019       Consent       Regular  
    Ordinance       Public Hearing**Submitted by:** Department of Housing and Economic Sustainability

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**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 League, 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 High Impact Sector Bonus not to exceed \$21,000 over a six (6) year period; providing for severability; providing for an effective date; and
- B) **Conceptually approve** an Economic Development Incentive for Project League in the form of a cash grant not to exceed \$21,000 over six (6) years.

**Summary:** Staff recommends that the Board of County Commissioners (BCC) adopt a resolution recommending the approval of Project League as a QTI and conceptually approve an Economic Development Incentive for Project League. Project League is contemplating establishing its national headquarters in Palm Beach County. The project will invest \$1,350,000 to lease, make renovations to, and equip a 12,500 square-foot facility. The project will create 30 new jobs over a three (3) year period at an annualized average wage of \$95,550 and an annualized median wage of \$80,000. The estimated five (5) year local economic impact is \$55.6 million.

Project League qualifies for the Qualified Target Industry (QTI) Tax Refund program which continues to be funded by the Florida Legislature. The company is being offered an incentive not to exceed \$210,000. Of this amount, \$168,000 is from the State of Florida; and \$42,000 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 will provide its portion of the local match as a cash grant in an amount not to exceed \$21,000. The cash grant will be: paid over a period of six (6) years, provided it meets the State of Florida and County requirements; paid according to the State's QTI Refund schedule; and 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 incentive will be disbursed. The company name will be disclosed at such time. District 4 (DB)

**Background and Justification:** The Economic Development Incentive Program continues to support long-term economic growth in Palm Beach County and further diversification of the local economy. The Program implements the Board of County Commissioner's policy to attract new businesses to Palm Beach County, support expanding businesses in the County that would otherwise expand elsewhere, and create employment opportunities for residents of Palm Beach County. The Program may be used to satisfy local participation requirements of the State QTI program.

**Attachment(s):**

1. Resolution
2. Letter of Support

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**Recommended By:**

Jonathan Brown  
Department Director

8/29/19  
Date

**Approved By:**

David M. Miller  
Assistant County Administrator

9/9/2019  
Date

**II. FISCAL IMPACT ANALYSIS**

**A. Five Year Summary of Fiscal Impact:**

Fiscal Years	2019	2020	2021	2022	2023
Grant Expenditures					
Operating Costs					
External Revenues					
Program Income					
In-Kind Match (County)					
<b>NET FISCAL IMPACT</b>					

# ADDITIONAL FTE POSITIONS (Cumulative)					
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Is Item Included In Current Budget? Yes \_\_\_\_\_ No X  
 Does this Item include the use of Federal funds? Yes \_\_\_\_\_ No X

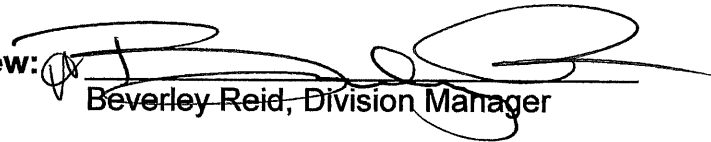
Budget Account No.:

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.

**C. Departmental Fiscal Review:**

  
 Beverley Reid, Division Manager

**III. REVIEW COMMENTS**

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

Bellegraw 9/5/19  
 OFMB  
 [Handwritten initials] 9/5

[Signature]  
 Contract Development and Control  
 9/6/19 TM

**B. Legal Sufficiency:**

[Signature] 9/9/19  
 Assistant County Attorney

**C. Other Department Review:**

\_\_\_\_\_  
 Department Director

RESOLUTION NUMBER R2019-\_\_\_\_\_

**A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, RECOMMENDING APPROVAL OF PROJECT LEAGUE, 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 WITH HIGH IMPACT SECTOR BONUS NOT TO EXCEED \$21,000 OVER A SIX (6) YEAR PERIOD; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE;**

**WHEREAS**, PROJECT LEAGUE, a company authorized to do business in the State of Florida, is considering establishing its national headquarters in Palm Beach County; and

**WHEREAS**, PROJECT LEAGUE, as part of establishing its headquarters in Palm Beach County, represents that it will lease and renovate an existing facility and purchase equipment; and

**WHEREAS**, PROJECT LEAGUE represents that its headquarters will create 30 new permanent full-time jobs in Palm Beach County at an average wage of \$95,550 excluding benefits, which is at least 200% of 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 \$55.6 million over five (5) years; and

**WHEREAS**, PROJECT LEAGUE has been identified as a Target Industry Business and, moreover, falls within one of the high-impact sectors designated under Florida Statute 288.108, specifically Corporate Headquarters, and is eligible to apply for the Qualified Target Industry Tax Refund with a High-Impact Sector Bonus, pursuant to s.288.106; and

**WHEREAS**, the Board of County Commissioners of Palm Beach County hereby acknowledges that local financial support of 20% 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 in the amount of \$21,000; and

**WHEREAS**, Palm Beach County has determined it will provide one half of the required local financial support in the form of a cash grant in amount not to exceed \$21,000 over a six (6) year period; and

**WHEREAS**, PROJECT LEAGUE has filed a QTI Tax Refund Program application with Enterprise Florida, Inc. to seek State tax refunds; 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 LEAGUE is aware that the award is contingent upon the company entering into a formal agreement with the County to, among other things, create 30 permanent jobs at an average annual wage of \$95,550 within three (3) years and maintain those new jobs for a period of three (3) years; and

**NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA**, that the Board hereby

recommends that PROJECT LEAGUE be approved as a Qualified Target Industry Business pursuant to s.288.106, Florida Statutes.

**BE IT FURTHER RESOLVED**, that a cash commitment of local financial support for the Qualified Target Industry Tax Refund with High-Impact Sector Bonus exists for PROJECT LEAGUE in the amount of \$42,000, which includes \$30,000 for the Qualified Target Industry Tax Refund and \$12,000 for the High-Impact Sector Refund, and that one half of the local financial support in the amount of \$21,000 will be provided from Palm Beach County, and one half of the required local financial support in the amount of \$21,000 will be provided from the City of Boca Raton. This 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 200% of 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 upon its passage and 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:

<b>Commissioner Mack Bernard, Mayor</b>	_____
<b>Commissioner Dave Kerner, Vice Mayor</b>	_____
<b>Commissioner Hal R. Valeche</b>	_____
<b>Commissioner Gregg K. Weiss</b>	_____
<b>Commissioner Robert S. Weinroth</b>	_____
<b>Commissioner Mary Lou Berger</b>	_____
<b>Commissioner Melissa McKinlay</b>	_____

The Mayor thereupon declared the Resolution duly passed and adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**PALM BEACH COUNTY, FLORIDA, BY ITS BOARD OF COUNTY COMMISSIONERS**

**APPROVED AS TO FORM AND LEGAL SUFFICIENCY**

**ATTEST: SHARON R. BOCK  
CLERK & COMPTROLLER**

By: \_\_\_\_\_  
David Behar  
Assistant County Attorney

By: \_\_\_\_\_  
Deputy Clerk



August 28, 2019

**Department of Housing and  
Economic Sustainability**

100 Australian Avenue  
Suite 500  
West Palm Beach, FL 33406

Phone: 561-233-3600  
Fax: 561-233-3651  
www.discoverpbcgov.org



**Palm Beach County  
Board of County  
Commissioners**

Mack Bernard, Mayor

Dave Kerner, Vice Mayor

Hal R. Valeche

Gregg K. Weiss

Robert S. Weinroth

Mary Lou Berger

Melissa McKinlay

**County Administrator**

Verdenia C. Baker

*"An Equal Opportunity  
Affirmative Action Employer"*

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 League to establish its national headquarters in Palm Beach County. We understand the project will invest \$1.35 million to lease, renovate, and equip a 12,500 square foot facility and create 30 new jobs over a three year period at an annualized median wage of \$95,500 and a median wage of \$80,000. We estimate the economic impact of the project on Palm Beach County's local economy will be \$55.6 million over five years.

The State of Florida is considering a \$210,000 incentive package in Qualified Target Industry (QTI) tax refunds. Of this amount, \$168,000 is from the State of Florida and \$42,000 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 \$21,000 in the form of a cash grant over a six 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. Finally, please note Project League will be required to provide a performance security in the form of a clean, irrevocable Letter of Credit or a Cash Bond, equal to the full amount of the maximum incentive to be paid.

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 at (561) 233-3653.

Best Regards,

A handwritten signature in cursive script that reads "Sherry Howard".

Sherry Howard  
Deputy Director  
Department of Housing and Economic Sustainability

ATTACHMENT 2