



**BOARD OF COUNTY COMMISSIONERS**

**DATE:** June 3, 2014

**AGENDA ITEM NO.** 16

**Consent Agenda** ☐

**Regular Agenda** ☒

**Public Hearing** ☐

**County Administrator's Signature:**

**Subject:**

Adoption of two resolutions, one establishing a \$150,000 financial commitment to Project B4030352160, and one establishing a \$32,500 financial commitment to Project B4030352160 for a total financial commitment of \$182,500.

**Department:**

Planning and Development Services

**Staff Member Responsible:**

Mike Meidel, Director, Economic Development

**Recommended Action:**

I RECOMMEND THAT THE BOARD OF COUNTY COMMISSIONERS (BOARD) ADOPT TWO RESOLUTIONS ESTABLISHING A TOTAL FINANCIAL COMMITMENT OF \$182,500 TO PROJECT B4030352160.

**Summary Explanation/Background:**

Florida Statute 125.045 authorizes counties to expend public funds to support economic development activities, including initiating grants for the expansion of businesses to the community. Project B4030352160 is a global provider of business process outsourcing and product support services that has expressed an interest in relocating within Pinellas County. The project consists of \$1.1 million in construction and \$1 million in equipment. The economic impact of this capital investment is \$1.5 million. An estimated 65 employees are projected to be hired with annual pay scales at or above 200 percent of the average state annual wage. The earnings will result in an economic impact of \$6.2 million and 72 new direct and indirect jobs. This project will also retain 202 high wage jobs currently located in Pinellas County. Additional locations the company is considering are North Carolina, New Jersey, Texas and Georgia.

The economic impacts were calculated using the U.S. Bureau of Economic Analysis RIMS II Model for Pinellas County.

**Fiscal Impact/Cost/Revenue Summary:**

Project B4030352160 is requesting a \$150,000 commitment from Pinellas County (an 11.5 percent local match), to provide a portion of the local match needed for the company to secure a State of Florida Governor's Quick Action Closing Fund. The State of Florida will provide \$1 million, and the City of St. Petersburg will provide the additional \$150,000 (an 11.5 percent match), for the total State of Florida Governor's Quick Action Closing Fund incentive of \$1.3 million. Allocation from the Quick Action Closing Fund is extremely competitive; the higher the local match, the better a project scores. The commitment from Pinellas County will enhance Project B4030352160's standings in the process. No funds will be expended until such time that all related agreements are executed to the satisfaction of all parties, and the Board grants approval of the terms and conditions of all related agreements to which it is a party. Clawback provisions will be included in all related agreements.

The total Qualified Target Industry (QTI) tax refund is \$65,000, which is calculated at \$5,000 per job with a total of 65 new jobs. The \$5,000 per job calculation is based on pay scales of at least 200 percent of the State of Florida's average annual wage. This incentive returns a portion of taxes paid by the business after the company meets its job creation and wage commitments. Additionally, no more than 25 percent of the total refund approved may be taken in any single fiscal year.

Florida Statute requires 20 percent local financial participation as tax refunds become due. Project B4030352160 is requesting the Board to provide 50 percent of the local match necessary to facilitate the State approval process, with the City of St. Petersburg providing the additional 50 percent. The total local financial support requested for the QTI is \$65,000 of which \$32,500 (50 percent of the local match) is being requested through Pinellas County Government and will be budgeted within the Division of Economic Development. The tax refund will be paid over a series of fiscal years as determined by the State.

The total financial commitment from Pinellas County is \$182,500.

**Exhibits/Attachments Attached:**  
Resolutions (2)

**RESOLUTION NO. 14- \_\_\_\_\_**

A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF PINELLAS COUNTY, FLORIDA APPROVING PROJECT B4030352160 AS A QUALIFIED APPLICANT FOR THE QUALIFIED TARGET INDUSTRY TAX REFUND PROGRAM PURSUANT TO SECTION 288.106, FLORIDA STATUTES; IDENTIFYING LOCAL COUNTY FINANCIAL SUPPORT FOR PROJECT B4030352160; PROVIDING AN EFFECTIVE DATE.

**WHEREAS**, the Legislature of the State of Florida established the Qualified Target Industry Business Tax Refund Program (“QTI Program”) to encourage the growth of Florida’s economy by creating high-wage, value-added employment opportunities, and authorized the Florida Department of Economic Opportunity to accept, review and approve applications for tax refunds to qualified target industry businesses; and

**WHEREAS**, the QTI Program requires 20% local financial participation as tax refunds become due; and

**WHEREAS**, Project B4030352160 is a global provider of business process outsourcing and product support services that would like to relocate its international headquarters within Pinellas County and projects hiring 65 employees in qualified value-added jobs; and

**WHEREAS**, the Board of County Commissioners finds that providing QTI Program tax refunds to Project B4030352160 serves the public purpose of promoting positive impacts on and benefits to the County’s economic vitality.

**NOW, THEREFORE**, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PINELLAS COUNTY FLORIDA, at a duly-assembled meeting held on the 3rd day of June, 2014, as follows:

Section 1. Project B4030352160 is approved as a Qualified Target Industry Business pursuant to Section 288.106, Florida Statutes. This recommendation is based upon the creation of

the specified jobs and is contingent upon Pinellas County's review and confirmation of Project B4030352160's final application.

Section 2. Project B4030352160's average private sector wage commitment calculation shall be at least 200% of the State of Florida average annual wage.

Section 3. The necessary commitment of local financial support for the Qualified Target Industry Business for the Qualified Target Industry Tax Refund Program has been identified in the total sum of \$65,000 with 50% of the local contribution to be paid by Pinellas County and 50% to be paid by the City of St. Petersburg subject to annual appropriations, and will be paid to the Florida Economic Development Trust Fund as tax refunds become due. The funding authorized herein is intended to represent the local financial support required by Section 288.106, Florida Statutes and is conditioned upon the applicant meeting all statutory requirements of the QTI Program. Nothing herein will prevent other jurisdictions or private sector entities from making or increasing their contributions. However, in no event will the total contribution of Pinellas County for Project B4030352160 exceed \$32,500.

Section 4. This Resolution shall take effect immediately upon its adoption.

Commissioner \_\_\_\_\_ offered the foregoing Resolution and moved its adoption, which was seconded by Commissioner \_\_\_\_\_, and upon roll call, the vote was:

\_\_\_\_\_ Ayes

\_\_\_\_\_ Nays

APPROVED AS TO FORM:

By           M2es            
County Attorney

**RESOLUTION NO. 14-\_\_\_\_\_**

RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PINELLAS COUNTY, FLORIDA AUTHORIZING AN ECONOMIC DEVELOPMENT GRANT TO PROJECT NO. B4030352160 TO EXPAND A BUSINESS ENTERPRISE IN PINELLAS COUNTY, FLORIDA SUBJECT TO FURTHER APPROVALS; PROVIDING AN EFFECTIVE DATE.

**WHEREAS**, because of increasing competition from other states and countries for the location and retention of private enterprises within Florida, counties are authorized, pursuant to §125.045, Florida Statutes, to expend public funds to support economic development activities, including, but not limited to, improving local infrastructure, issuing bonds to finance or refinance the cost of capital projects, leasing or conveying real property, and making grants to private enterprises for the expansion of businesses existing in the community, or the attraction of new businesses to the community; and

**WHEREAS**, Project No. B4030352160 is a global provider of business process outsourcing and product support services that has expressed an interest in relocating its international corporate headquarters within Pinellas County, Florida; and

**WHEREAS**, the State of Florida has targeted entities such as Project No. B4030352160 for relocation in Florida to serve as continued catalysts for evolving economic development clusters in order to expand the state's economic base; and

**WHEREAS**, Pinellas County recognizes that the presence of Project No. B4030352160 would help to attract and retain the type of high-wage primary jobs envisioned by Pinellas County's "Pinellas by Design Plan", while helping to facilitate growth in the economic clusters already targeted by the County; and

**WHEREAS**, pursuant to §288.1088, Florida Statutes, Project No. B4030352160 has been recommended to receive grant funds needed for the relocation of their international corporate headquarters within Pinellas County from the State of Florida; and

**WHEREAS**, subject to additional approvals required to finalize the relocation within Pinellas County, it is necessary to identify and make available financial support from local partners to be eligible for the above referenced State of Florida grant ; and

**WHEREAS**, the Board of County Commissioners finds that granting economic development grant matching funds of up to \$150,000 constitutes a public purpose which will serve to employ Pinellas County citizens and ensure the County's economic vitality.

**NOW, THEREFORE**, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PINELLAS COUNTY, FLORIDA, at a duly-assembled meeting held on the 3rd day of June, 2014, as follows:

**Section 1.** The County hereby approves in concept awarding an economic development grant for facility relocation costs for Project No. B4030352160 in Pinellas County in the sum of \$150,000 as provided in the grant agreement referenced in Section 2 herein.

**Section 2.** This grant award committing County funds shall be conditioned upon: (i) final approval by the Board of County Commissioners of the terms and conditions of all related agreements to which it is a party, and (ii) Project No. B4030352160 securing such other approvals, grants, and/or affiliation agreements pursuant to Sec. 288.1088, Florida Statutes as may be necessary or required to expand in Pinellas County. Nothing herein will prevent other jurisdictions, agencies or the private sector from providing increased funding; however, in no event will this grant award from Pinellas County exceed \$150,000.

Commissioner \_\_\_\_\_ offered the foregoing resolution and moved its adoption, which was seconded by Commissioner \_\_\_\_\_, and upon roll call, the vote was:

\_\_\_\_\_ Ayes

\_\_\_\_\_ Nays

\_\_\_\_\_ Absent and not voting:

APPROVED AS TO FORM

By           M Zas            
County Attorney