



BOARD OF COUNTY COMMISSIONERS

DATE: July 21, 2015

AGENDA ITEM NO. 14

Consent Agenda ☐

Regular Agenda ☒

Public Hearing ☐

 **County Administrator's Signature:**

Subject:

Adoption of a Resolution Approving B4121047858 as a Qualified Applicant for the Qualified Target Industry Tax Refund Program.

Department:

Economic Development

Staff Member Responsible:

Mike Meidel, Director

Recommended Action:

I RECOMMEND THE BOARD OF COUNTY COMMISSIONERS (BOARD) ADOPT A RESOLUTION APPROVING B4121047858 AS A QUALIFIED APPLICANT PURSUANT TO SECTION 288.106, FLORIDA STATUTES, AND IDENTIFY SOURCES OF LOCAL COUNTY FINANCIAL SUPPORT OF PROJECT B4121047858 AS LOCAL PARTICIPATION IN THE QUALIFIED TARGET INDUSTRY TAX REFUND PROGRAM.

Summary Explanation/Background:

Project B4121047858 is an economic development business attraction project in the aviation/aerospace industry, where the business desired to relocate to Pinellas County. An estimated 125 employees are projected to be hired with annual pay scales of at least 200% of the average annual wage for the State of Florida, which is \$42,904. These earnings would result in an economic impact of \$20,243,423 and a total of 212 direct and indirect new jobs. The company is considering a site in New Jersey. The economic impact of the project's capital investment is \$707,000.

The economic impacts were calculated using the U.S. Bureau of Economic Analysis Regional Input Modeling System (RIMS II) Model for Pinellas County.

Fiscal Impact/Cost/Revenue Summary:

The total tax refund is \$875,000, which is calculated at \$7,000 per job with a total of 125 new jobs. The \$7,000 per job calculation is based on pay scales of at least 200% of the State of Florida's average annual wage, and a high impact sector bonus. This incentive returns a portion of taxes paid by the business after the company meets its job creation and wage commitments. No more than 25 percent of the total refund approved may be taken in any single fiscal year.

Florida Statute requires 20% local financial participation as tax refunds become due. Project B4121047858 is requesting the Board to provide 50% of the local match necessary to facilitate the State approval process, with the City of Seminole providing the additional 50%. The total local financial support requested is \$175,000, of which \$87,500 (50% local match) is being requested through Pinellas County Government and will be budgeted within the Department of Economic Development from the General Fund. The tax refund will be paid over a series of fiscal years as determined by the State.

Exhibits/Attachments Attached:

Resolution

PSS

RESOLUTION NO. 15- _____

A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF PINELLAS COUNTY, FLORIDA APPROVING PROJECT B4121047858 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 B4121047858; 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 B4121047858 is an attraction project in the aviation/aerospace industry that wishes to relocate their headquarters within Pinellas County and projects hiring 125 employees in qualified value-added jobs; and

WHEREAS, the Board of County Commissioners finds that providing QTI Program tax refunds to Project B4121047858 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 21st day of July, 2015, as follows:

Section 1. Project B4121047858 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 B4121047858's final application.

Section 2. Project B4121047858'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 \$175,000 with 50% of the local contribution to be paid by Pinellas County and 50% to be paid by the City of Seminole 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 B4121047858 exceed \$87,500.

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
OFFICE OF COUNTY ATTORNEY**

By M. Z. Law
Attorney