

**BOARD OF COUNTY COMMISSIONERS**

DATE: May 19, 2009  
AGENDA ITEM NO. 16.

Consent Agenda

Regular Agenda

Public Hearing

County Administrator's Signature

**Subject:**

Adoption of a Resolution Approving A9031245830 as a Qualified Applicant for the Qualified Target Industry Tax Refund Program.

**Department:**

Economic Development

**Staff Member Responsible:**

lms Mike Meidel, Director

**Recommended Action:**

I RECOMMEND THAT THE BOARD OF COUNTY COMMISSIONERS (BOARD) ADOPT A RESOLUTION APPROVING A9031245830 AS A QUALIFIED APPLICANT PURSUANT TO SECTION 288.106, FLORIDA STATUTES, AND IDENTIFY SOURCES OF LOCAL COUNTY FINANCIAL SUPPORT OF PROJECT A9031245830 AS LOCAL PARTICIPATION IN THE QUALIFIED TARGET INDUSTRY REFUND PROGRAM.

**Summary Explanation/Background:**

Project A9031245830 is a business and financial services company that wishes to locate its corporate headquarters within Pinellas County. The project consists of \$3.1 million in equipment and \$600,000 in construction. The economic impact of this capital investment is \$1.7 million. An estimated 100 employees are projected to be hired with annual pay scales above 115% of the average annual wage for Pinellas County. These earnings would result in an economic impact of \$7.6 million and 130 new jobs\*. Additional sites the company is considering include Georgia and South Carolina.

\* Calculated using the U.S. Bureau of Economic Analysis RIMS II Model for Pinellas County.

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

The total tax refund is \$850,000 which is calculated at \$8,500 per job with a total of 100 new jobs. 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% local financial participation as tax refunds become due. Project A9031245830 is requesting the Board to provide 50% of the local match necessary to facilitate the State approval process with the City of St. Petersburg providing the other 50%. The total local financial support requested is \$170,000 of which, \$85,000 (50% of the local match) is being requested through Pinellas County Government and will be budgeted within the Department of Economic Development. The tax refund will be paid over a series of fiscal years as determined by the State.

Attached is a summary of the QTI program since its inception.

**Exhibits/Attachments Attached:**

- Resolution
- QTI Incentive Program Summary

RESOLUTION NO. 09- \_\_\_\_\_

A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF PINELLAS COUNTY, FLORIDA APPROVING PROJECT A9031245830 AS A QUALIFIED APPLICANT PURSUANT TO SECTION 288.106, FLORIDA STATUTES; IDENTIFYING SOURCES OF LOCAL COUNTY FINANCIAL SUPPORT OF PROJECT A9031245830 AS LOCAL PARTICIPATION IN THE QUALIFIED TARGET INDUSTRY TAX REFUND PROGRAM; PROVIDING AN EFFECTIVE DATE.

**WHEREAS**, the Legislature of the State of Florida has enacted Section 288.106, Florida Statutes, to encourage the growth of Florida's high-wage, value-added employment; and

**WHEREAS**, Section 288.106, Florida Statutes, authorizes the Florida Office of Tourism, Trade and Economic Development to accept, review and approve applications for tax refunds to qualified target industry businesses; and

**WHEREAS**, Section 288.106, Florida Statutes, requires 20% local financial participation as tax refunds become due; and

**WHEREAS**, Project A9031245830 wishes to locate their corporate headquarters within Pinellas County and projects hiring 100 employees in qualified value-added jobs; and

**WHEREAS**, Project A9031245830 will be located in Pinellas County and will provide high-wage, value-added employment to Pinellas County citizens; and

**WHEREAS**, the Board of County Commissioners finds that providing tax refunds and other tax incentives to Project A9031245830 is vital to the public purpose of employing Pinellas County citizens and ensuring 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 19<sup>th</sup> day of May, 2009, as follows:

Section 1. The Board hereby approves Project A9031245830 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 of Project A9031245830 final application to be a Qualified Target Industry Business and confirmation of the information therein.

Section 2. 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 amount of \$170,000 consisting of 50% of the local contribution coming from Pinellas County and 50% coming from 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, with the stipulation that these funds are intended to represent the local financial support required by Section 288.106, Florida Statutes and are conditioned upon the applicant meeting all statutory requirements of the program. Nothing herein will prevent other jurisdictions or the private sector from increasing their contributions. However, in no event will the total contribution of Pinellas County for A9031245830 exceed \$85,000.

Section 3. This Resolution shall take effect immediately upon its adoption.

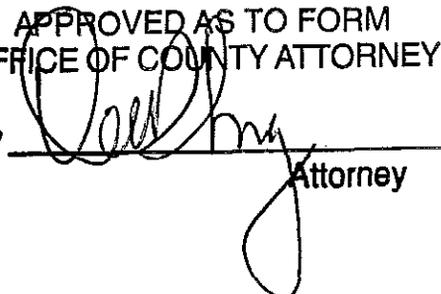
Commissioner \_\_\_\_\_ offered the foregoing Resolution and moved its adoption, which was seconded by Commissioner \_\_\_\_\_, and upon roll call, the vote was:

\_\_\_\_\_ Ayes

\_\_\_\_\_ Nays

APPROVED AS TO FORM  
OFFICE OF COUNTY ATTORNEY

By

A handwritten signature in black ink, appearing to be 'W. J. ...', is written over a horizontal line. The signature is stylized and cursive.

Attorney



PINELLAS  
COUNTY

ECONOMIC DEVELOPMENT

## Qualified Targeted Industries (QTI) Incentive Program

### Pinellas County Projects Summary 1996 to 2009

Since 1996, the Pinellas County Board of County Commissioners has approved a total of 79 projects for the QTI incentive program. If all job creation goals of these businesses are achieved, there is the potential to create a total of 13,854 new direct jobs at these companies and a new capital investment of over \$893 million in Pinellas County.

In 2001, the department began using standard input-output computer models to estimate the total direct and indirect impacts of this activity on our local economy. The 50 projects that have been studied in this way have the potential to create 12,157 direct and indirect jobs in the local market place and generate over \$445 million in new payrolls and nearly \$564 million in new industrial output.

The total incentive dollars approved by the county commission now stands at just over \$6.6 million. This is matched with over \$49 million of funding from the State of Florida.

The QTI program requires that taxes be paid and jobs created at the targeted wage levels prior to the company receiving any funds. To date, the County has paid \$1.56 million into the fund managed by the Governor's Office of Tourism, Trade and Economic Development (OTTED) for the payment of QTI tax refunds. Most of these funds have been paid to the companies. Currently, a total of \$293,117 in this fund is earmarked for companies that don't appear to be able to achieve their targets. This money will eventually be refunded to the County or used to pay for future incentives.