



Pinellas County

Staff Report

File #: 15-213, **Version:** 1

Subject:

Resolution approving B5022462378 as a qualified applicant for the Qualified Target Industry Tax Refund Program.

Recommended Action

Adoption of a resolution approving B5022462378 as a qualified applicant pursuant to Section 288.106, Florida Statutes, and identify sources of local county financial support of Project B5022462378 as local participation in the Qualified Target Industry Tax Refund Program.

Strategic Plan:

Foster continual economic growth and vitality

4.1: Proactively attract and retain businesses with targeted jobs to the county and the region.

Summary:

Project B5022462378 is a financial services firm and this project represents an expansion of its regional operations center, with both job creation and capital investment components.

Background Information:

Project B5022462378 is a financial services firm that wishes to expand its regional operations center within Pinellas County. The economic impact of the project's capital investment is \$1.3 million. An estimated 40 employees are projected to be hired with annual pay scales of at least 150% of the average annual wage for the State of Florida, which is \$42,904. These earnings would result in an economic impact of \$3.6 million and a total of 61 direct and indirect new jobs. Additional sites the company is considering are in Michigan.

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:

The total tax refund is \$160,000 which is calculated at \$4,000 per job with a total of 40 new jobs. The \$4,000 per job calculation is based on pay scales of at least 150% 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% local financial participation as tax refunds become due. Project B5022462378 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 additional 50%. The total local financial support requested is \$32,000 of which \$16,000 (50% of the local match) is being requested through Pinellas County Government and will be budgeted within the Department of Economic Development through the general fund. The tax refund will be paid over a series of fiscal years as determined by the State

Staff Member Responsible:

Michael Meidel, Director, Economic Development Department

Partners:

City of St. Petersburg