



Pinellas County

Staff Report

File #: 17-112A, **Version:** 1

Subject:

Resolution approving B6121950706 as a Qualified Applicant for the Qualified Target Industry Tax Refund Program.

Recommended Action

Adopt a Resolution approving B6121950706 as a qualified applicant pursuant to Section 288.106, Florida Statutes, and identify sources of local county financial support of Project B6121950706 as local participation in the Qualified Target Industry Tax Refund Program.

The project is a technology-centric business wishing to expand its national headquarters within the County and hire an estimated 165 employees with annual pay scales at least 150% of the average state annual wage. The economic impact of the project's capital investment is \$1.3 million, and the earnings from the new jobs would result in an economic impact of over \$15 million. The company is also considering sites in New York and Washington D.C.

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 B6121950706 is a technology-centric business enterprise that would like to expand its national corporate headquarters, with both job creation and capital investment components.

Background Information:

Project B6121950706 is a technology-centric business enterprise that wishes to expand its national corporate headquarters within Pinellas County. The economic impact of the project's capital investment is \$1.3 million. An estimated 165 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 \$44,065. These earnings would result in an economic impact of \$15,816,128 and a total of 256 direct and indirect new jobs. Additional sites the company is considering are in New York and Washington D.C.

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 \$990,000 which is calculated at \$6,000 per job with a total of 165 new jobs. The \$6,000 per job calculation is based on pay scales of at least 150% 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. 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 B6121950706 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 \$198,000 of which \$99,000 (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
State of Florida

Attachments:

Resolution