



Pinellas County

Staff Report

File #: 17-1784A, Version: 1

Subject:

Resolution approving B7060935956 as a Qualified Applicant for the Qualified Target Industry Tax Refund Program.

Recommended Action

Adopt a resolution approving B7060935956 as a qualified applicant pursuant to Section 288.106, Florida Statutes, and identify sources of local County financial support of Project B7060935956 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 B7060935956 is a multinational business enterprise that would like to expand their operation, with both job creation and capital investment components, by relocating another business unit to the area.

Background Information:

Project B7060935956 is a multinational business enterprise that would like to expand their operation into Pinellas County. The economic impact of the project's capital investment is \$1.3M. An estimated 103 employees are projected to be hired with annual pay scales of at least 115% of the average annual wage for the State of Florida, which is \$45,562.00. These earnings would result in an economic impact of \$6.2M and a total of 119 direct and indirect new jobs. An additional site the company is considering is in New Jersey.

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 \$309,000.00 which is calculated at \$3,000.00 per job with a total of 103 new jobs. The \$3,000.00 per job calculation is based on pay scales of at least 115% 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% 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 B7060935956 is requesting the Board of County Commissioners 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 \$61,800.00 of which \$30,900.00 (50% of the local match) is being requested through the County 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

Attachment:

Resolution