



Pinellas County

Staff Report

File #: 19-612A, **Version:** 1

Subject:

Resolution approving B5121447367 as a qualified applicant for the Qualified Target Industry Tax Refund program.

Recommended Action

Adopt a resolution approving B5121447367 as a qualified applicant pursuant to Section 288.106, Florida Statutes, and identify sources of local County financial support of Project B5121447367 as local participation in the Qualified Target Industry Tax Refund program.

- The company is in the aviation/aerospace manufacturing industry and is considering a project to consolidate its out-of-state production facility to Pinellas County.
- The project would include the construction of an approximate 40,000-square-foot facility and substantial equipment upgrades.
- An estimated 47 employees are projected to be hired with annual pay scales of at least 115% of the average annual wage for the Pinellas County.

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 B5121447367 is an aviation/aerospace manufacturer that would like to expand with both job creation and capital investment components.

Background Information:

Project B5121447367 is an aviation/aerospace manufacturer that would like to expand within Pinellas County. The economic impact of the project's capital investment is \$6.8 million. An estimated 47 employees are projected to be hired with annual pay scales of at least 115% of the average annual wage for the Pinellas County, which is \$47,273.00. These earnings would result in an economic impact of \$3.7 million and a total of 74 direct and indirect new jobs. An additional site the company is considering is in California.

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 \$235,000.00 which is calculated at \$5,000.00 per job with a total of 47 new jobs. The \$5,000.00 per job calculation is based on pay scales of at least 115% of the Pinellas County 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% 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 B5121447367 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 Largo providing the additional 50%. The total local financial support requested is \$47,000.00, of which is \$23,500.00 (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

Partners:

N/A

Attachment:

Resolution