Pinellas County

Legislation Details (With Text)

File #:	19-1747A **Version:** 1		
Type:	Resolution	**Status:**	Passed
File created:	9/25/2019	**In control:**	Economic Development
On agenda:	10/22/2019	**Final action:**	10/22/2019
Title:	Resolution expressing support of Formulated Solutions LLC as a qualified applicant for an Economic Development Ad Valorem Tax Exemption.		
Sponsors:			
Indexes:			
Code sections:			
Attachments:	1. Adopted RES 19-84, 2. AVTE Resolution Formulated Solutions LLC (2)		

Date	Ver.	Action By	Action	Result
10/22/2019	1	Board of County Commissioners	approved	Pass

Subject:

Resolution expressing support of Formulated Solutions LLC as a qualified applicant for an Economic Development Ad Valorem Tax Exemption.

Recommended Action

Adopt a Resolution expressing support of Formulated Solutions LLC as a qualified applicant for an Economic Development Ad Valorem Tax Exemption pursuant to Section 196.1995, Florida Statutes, and authorizing Formulated Solutions LLC to make improvements and/or tangible personal property additions before an Exemption Ordinance is adopted.

- The company is a hygiene product manufacturer using innovation, formulation to create unique products for the healthcare and medical industry.
- The project will add approximately 24,000 square feet of warehouse, office and manufacturing, in addition to parking.
- The company currently employs over 300 employees and with the new addition will add 75 new jobs.

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:

Formulated Solutions LLC is a hygiene product manufacturer. This project represents an expansion within Pinellas County, with both job creation and capital investment components. The company has requested an Economic Development Ad Valorem Tax Exemption.

Background Information:

The State of Florida has provided for the Economic Development Ad Valorem Tax Exemption (EDAVTE) program pursuant Section 196.1995, Florida Statutes. Pinellas County Ordinance 2018-08 amending Chapter 118, Article VI of the Pinellas County Code authorizes the granting of such

exemptions.

Formulated Solutions LLC is a hygiene product manufacturer. This project represents an expansion within Pinellas County, with both job creation and capital investment components. This project has a total estimated capital investment of $6.6 million including new construction and equipment. These improvements will be used to accommodate the addition of 75 new full-time jobs.

The EDAVTE program provides for the approval of a resolution allowing a company to commence its project prior to adoption of an Exemption Ordinance under Section 196.1995, F.S. and Pinellas County Ordinance 2018-08. Based on representations made by the company, the project meets the requirements of the EDAVTE program. This resolution does not bind the Board to adopting an Exemption Ordinance. The project will be brought back to the Board for consideration of an Exemption Ordinance and written agreement. The resolution allows the company to begin their project without losing the ability to receive an EDAVTE.

Current Fiscal Impact:
The total exemption will be based on the final assessed value of real property improvements and additions to tangible personal property. An estimated fiscal impact will be determined by the Pinellas County Property Appraiser and will be included in the staff report brought to the Board during its consideration of an Exemption Ordinance.

Proposed Fiscal Impact:
The total exemption will be based on the final assessed value of real property improvements and additions to tangible personal property, and the exemption period (up to 10 years) and exemption percent (up to 100%) approved by the Board. An estimated fiscal impact will be determined by the Pinellas County Property Appraiser and will be included in the staff report brought to the Board during its consideration of an Exemption Ordinance.

The project is located in unincorporated Pinellas County. The company has provided an estimated construction investment of $4.1 million for this project. Based on the County's current millage rate of 5.3590, and assuming that 80% of the investment would contribute to taxable value, the maximum annual impact of the real property portion would be about $17,600.00.

The company has also provided an estimated equipment investment of $2.5 million for this project and would be eligible for an exemption based on the increased assessment of tangible personal property resulting from this investment. The maximum initial, annual impact of the tangible portion would be about $13,400.00. The tangible value would be subject to depreciation in future years.

Staff Member Responsible:
Michael Meidel, Director, Economic Development

Partners:
N/A