



Pinellas County

Staff Report

File #: 20-711A, Version: 1

Subject:

Resolution approving C0040838316 as a qualified applicant for the Qualified Target Industry Tax Refund program.

Recommended Action:

Adopt a resolution approving C0040838316 as a qualified applicant pursuant to Section 288.106, Florida Statutes, and identify sources of local County financial support of Project C0040838316 as local participation in the Qualified Target Industry Tax Refund program.

- The company is an existing information technology company that is considering expanding within Pinellas County.
- The project represents an expansion with both job creation and capital investment components.
- An estimated 20 employees are projected to be hired with annual pay scales of at least 115% of the average annual wage for 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 C0040838316 is an information technology company that would like to expand with both job creation and capital investment components.

Background Information:

Project C0040838316 is an information technology company that would like to expand within Pinellas County. The economic impact of the project's capital investment is \$332,668.00. An estimated 20 employees are projected to be hired with annual pay scales of at least 115% of the average annual wage for Pinellas County, which is \$48,901.00. These earnings would result in an economic impact of \$1.3 million and a total of 28 direct and indirect new jobs. Additional sites the company is considering are in Washington DC and New York City.

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 \$100,000.00 which is calculated at \$5,000.00 per job with a total of 20 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 C0040838316 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 Clearwater providing the additional 50%. The total local financial support requested is \$20,000.00, of which \$10,000.00 (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:

Mike Meidel, Director, Economic Development

Partners:

City of Clearwater

Attachments:

Resolution