



Pinellas County

Staff Report

File #: 21-444A, Version: 1

Subject:

Resolution expressing support of C1012942751 as a qualified applicant for an Economic Development Ad Valorem Tax Exemption.

Recommended Action:

Adopt a resolution expressing support of C1012942751 (Company) as a qualified applicant for an Economic Development Ad Valorem Tax Exemption (EDAVTE) pursuant to Section 196.1995, Florida Statutes, and authorizing C1012942751 to make improvements before an EDAVTE Ordinance is adopted.

- The Company is an existing medical manufacturing company that is located in the City of St. Petersburg.
- The Company will be building a 116,000 square foot building and will invest \$1M in equipment and \$23M in construction.
- An estimated 10 new jobs will be created with annual pay scales of at least 75% of the average annual wage for Pinellas County. The project is located in a designated Brownfield area allowing eligibility for projects paying wages at 75% of the Pinellas County wage.

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:

C1012942751 is an existing medical manufacturing company that is expanding its facility in the City of St. Petersburg, with both job creation and capital investment components. The company will be requesting 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 VII of the Pinellas County Code authorizes the granting of such exemptions.

C1012942751 is an existing medical manufacturing company that is expanding its facility in the City of St. Petersburg. The company plans to invest an estimated \$1 million in equipment and \$23 million in construction. The company has notified Pinellas County Economic Development of its intent to apply for an EDAVTE and is requesting to be allowed to move forward with the permitting process. The EDAVTE program provides for the approval of a resolution allowing a company to commence its

project prior to adoption of an Exemption Ordinance.

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, with the company name being fully disclosed. The resolution allows the company to begin their project without losing the ability to receive an EDAVTE.

Fiscal Impact:

The total tax exemption will be based on 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 the City of St. Petersburg, which is expected to also provide a municipal EDAVTE. The company has provided an estimated construction investment of \$23 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 initial annual impact of the real property portion would be about \$98,600.00.

The company has also provided an estimated equipment investment of \$1 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 \$5,400.00. The tangible value would be subject to depreciation in future years.

Staff Member Responsible:

Michael Meidel, Director, Economic Development

Partners:

City of St. Petersburg

Attachments:

Resolution