

Incentive Programs 2017



Qualified Target Industry (QTI)

The County will participate in all Qualified Target Industry (QTI) tax refunds that are determined eligible by the State of Florida and approved by the BOCC. The County will pay 100% of the required local match for projects in unincorporated Polk County, and 50% of the local match if the project locates within a municipality (expecting the other 50% to come from the local community). City and County CRAs will be expected to operate their own incentives without any additional County participation.

(In the event that a project locates in a municipality's service district and signs an annexation agreement, it is expected that the community would make a commitment up-front to providing the 50% match, beginning on the date the annexation becomes official).

QTI Incentive

<u>Wage Parameter</u>	<u>Total Award</u>	<u>Local share</u>	<u>State share</u>
115% of average private sector wage	\$3,000/job	\$ 600/job	\$2,400/job
150% of average private sector wage	\$4,000/job	\$ 800/job	\$3,200/job
200% of average private sector wage	\$5,000/job	\$1,000/job	\$4,000/job

For 2016, the Polk County Average Wage is \$39,075 (\$18.79/hr.) and the 115% requirement is \$44,936 (\$21.60/hr.); 150% requirement is \$58,613 (\$28.18/hr.); 200% requirement \$78,150 (\$37.57/hr.).

Capital investments may be required for each job in which a grant is awarded as defined by the PCBI program shown below.

Polk County Bonus Incentive (PCBI)*

In an effort to augment the State QTI program and establish a competitive posture both statewide and nationally, Polk County offers the following PCBI grant in addition to the State QTI incentive. The original intent of this grant is to help offset the new road impact fees and to provide a more competitive posture for Polk County when competing on close deals.

This incentive is based on a like calculation of the average private sector wage as used in the State QTI program, and adds an incremental capital investment requirement to determine the number of jobs eligible for the PCBI incentive.

Fiscal Impact Comparison Polk County Incentive Programs



Qualified Target Industry (QTI)

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Polk County Bonus Incentive (PCBI)*

115 % of average private sector wage = \$1,000 per job grant - The number of qualifying jobs is limited to each incremental \$50,000 of total capital investment.

Fiscal impact at 115% (average private sector wage @ \$44,936)

\$1,600/job grant - (QTI - 600/job, PCBI - \$1,000)
 Annual Ad Valorem Revenue – (\$50,000 x .0067815) = \$339.08/yr
 $\$1,600 / 339.08 = 4.72$ years of incentive (rebate)
 Each \$1 million investment = 20 jobs eligible for grant

150% of average private sector wage = \$3,000 per job grant - The number of qualifying jobs is limited to each incremental \$100,000 of total capital investment.

Fiscal impact at 150% (average private sector wage = \$58,613)

\$3,800/job grant - (QTI - 800/job, PCBI - \$3,000)
 Annual Ad Valorem Revenue – (\$100,000 x .0067815) = \$678.15/yr
 $\$3,800 / 678.15 = 5.60$ years of incentive (rebate)
 Each \$1 million investment = 10 jobs eligible for grant

200% of average private sector wage = \$5,000 per job grant - The number of qualifying jobs is limited to each incremental \$125,000 of total capital investment.

Fiscal impact at 200% (average private sector wage = \$78,150)

\$6,000/job grant - (QTI – 1,000/job, PCBI - \$5,000)
 Annual Ad Valorem Revenue – (\$125,000 x .0067815) = \$847.69/yr
 $\$6,000 / 847.69 = 7.08$ years of incentive (rebate)
 Each \$1 million investment = 8 jobs eligible for grant

Polk County Business Incentive Application



Company Information

- 1 Name _____
- 2 Address _____
- 3 Please describe project i.e. lease, build to suit, purchase

- 4 Phone Number _____
- 5 Contact Person _____
- 6 Phone _____

Type of Business

- 7 Qualified Target Industry Yes No
- 8 Other communities being considered for project

Scope of Project

- 9 Number of jobs created _____
- 10 Average annual wage _____
- 11 Capital Investment _____
- 12 Explain how the PCBI would be used

- 13 Is PCBI required to secure project? yes/no

Polk County Business Incentive Application



Guidelines

- Failure to meet the Capital Investment, job creation or wage criteria negates any and all PCBI awards.
- As applicable, Polk County requires that our job creation, wage schedule and capital investment meet that of our Qualified Target Industry Tax Refund application once approved by the State of Florida.
- Eligibility for PCBI funding extends during the Enterprise Florida QTI job creation schedule timeframe approved by the State of Florida.
- PCBI payments are paid on an annual basis up to the amount paid in ad valorem taxes for that year, until the entire grant award has been paid.
- Polk County will use Enterprise Florida's annual audit letter verifying the job creation schedule was achieved to validate PCBI payment.
- Once approved by the Polk County Board of County Commission, the PCBI offer is valid for 90 days from the approval date.

Signature of applicant

----- Date -----

Authorized by County Manager

----- Date -----