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ORDINANCE 2012-

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF NASSAU COUNTY, FLORIDA CREATING AN ECONOMIC DEVELOPMENT GRANT PROGRAM; ESTABLISHING QUALIFICATION THRESHOLDS; ESTABLISHING PROCEDURES FOR APPLICATION; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Legislature of the State of Florida has declared, in Section 125.045, Florida Statutes, that it is necessary and in the public interest to facilitate the growth and creation of business enterprises in the counties of the state and that the use of public funds toward the achievement of such economic development goals constitutes a valid public purpose; and

WHEREAS, as a result, the Legislature of the State of Florida has authorized the governing body of a county to make grants to private enterprises for the expansion of businesses existing in the community or the attraction of new business to the community; and

WHEREAS, the Board of Commissioners of Nassau County desires to facilitate the development of capital investment and high-wage jobs by establishing an Economic Development Grant (EDG) incentive program; and

WHEREAS, Economic Development Grants (EDG) are available for Nassau County's Target Industries that add to the tax base, project new employment of at least ten (10) direct, full-time equivalent positions and/or make a significant economic impact in the community; and

WHEREAS, the Nassau County Economic Development Board shall administer the EDG incentive program.

NOW, THEREFORE, BE IT ORDAINED by the Board of Commissioners of Nassau County:

SECTION 1. FINDINGS

It is hereby ascertained, determined, found and declared as follows:

1. The recitals above are true and correct and are incorporated in this ordinance.

2. The Nassau County Board of Commissioners establishes the Economic Development Grant (EDG) Incentive Program under Section 125.045, Florida Statutes, which authorizes the County to make "grants to private enterprises for the expansion of businesses existing in the community or the attraction of new businesses to the community."

3. Using a "Base Year" assessed taxable property value from the Nassau County Property Appraiser's database for the project's location a certain percentage of the County's incremental increase in *ad valorem* taxes on real and/or tangible personal property resulting from the new investment and paid by the project over and above the base year amount will be available as an Economic Development Grant to a qualified Applicant.

4. EDG funds are measured by the increment as defined above and are payable over a period of up to fifteen (15) years after the Applicant has invested the capital that creates the increment.

5. The Nassau County Economic Development Board (NCEDB) shall administer the Economic Development Grant Incentive Program and shall measure performance of the Applicant. The Nassau County Board of Commissioners shall have final authority in making Economic Development Grants based upon its review of information provided to NCEDB by the Applicant.

SECTION 2. DEFINITIONS

1. **Applicant** – the corporate entity that will be party to the Economic Development Grant agreement with Nassau County.

2. **Base year** – the tax year immediately preceding the year in which qualifying jobs are created and/or qualifying investments are made.

3. **Base year assessed value** – the value of property determined by the Nassau County Property Appraiser for any parcels owned by the Applicant on which qualifying jobs and/or investments are made.

4. **Capital investment** – an investment made by the applicant which results in an increase in *ad valorem* taxes on real and/or tangible personal property.

5. **Economic Development Grant (EDG) Agreement** – a legally binding agreement between Nassau County and the Applicant that sets forth the terms, conditions, performance standards and sanctions intended to govern the handling of Economic Development Grant award funds. The EDG Agreement must be fully executed by the County and the Applicant before new jobs are created or investments made.

6. **General Project Overview (GPO)** – a standardized form used by Enterprise Florida, Inc. and the Nassau County Economic Development Board to capture and record critical project information needed to evaluate eligibility for a variety of economic development incentive programs.

7. **Grant year** – the year for which the applicant is applying for the EDG.

8. **Nassau County Economic Development Board (NCEDB)** – a not-for-profit Florida corporation responsible for administering the Economic Development Grant Incentive Program.

SECTION 3. THRESHOLDS FOR QUALIFICATION

1. **Nassau County Target Industries.** Businesses must be on the list of Nassau County Target Industries in order to qualify for an EDG. (*See* **Exhibit A**). The list may be revised and updated periodically by the Nassau County Economic Development Board.

2. **Existing/expanding businesses.** Existing/expanding businesses must create at least ten (10) new jobs paying at least one-hundred percent (100%) of Nassau County's current average wage or invest at least $1 million in new capital investment in the County in order to qualify for an EDG. (*See* **Table One**)

Table One. Economic Development Grant Schedule for Existing/Expanding Businesses

Creating at least:	That pay at least	--OR--	Then Eligible for	
	Nassau's Average Wage	Investing at least	% E. D. Grant	For
10 new Jobs	100%	$1 million	100%	Year 1
			80%	Year 2
			60%	Year 3
			40%	Year 4
			20%	Year 5

6. **New Businesses.** New businesses creating the numbers of jobs and investing the amounts of capital presented in **Table Two** qualify for the corresponding benefits.

Table Two. Economic Development Grant Schedule for New Businesses

Creating at least:		And Paying at least:	Then Eligible for	
Jobs	And Capital Investment	Nassau's Average Wage	% E. D. Grant	For Number of Years
10-20	$1 million - $2 million	100%	100/80/60/40/20%	Over 5 years
21-30	>$2 million - $5 million	115%	50%	7 years
31-50	>$5 million - $10 million	115%	50%	10 years
51-100	>$10 million - $20 million	115%	75%/50%	1st 5 years/2nd 5 yrs
101+	>$20 million	115%	75%/50%	1st 10 yrs/next 5 yrs

SECTON 4. PROCEDURES FOR APPLICATION

1. The Applicant must complete a General Project Overview (GPO) prior to creating new jobs and/or making qualified new investments to be considered for an Economic Development Grant award. The GPO application form shall be available from the Nassau County Economic Development Board.

2. The GPO must be filed with the Nassau County Economic Development Board by mail or electronically:

Nassau County Economic Development Board
76346 William Burgess Boulevard
Yulee, FL 32097
e-mail: admin@expandinnassau.com

3. The Applicant and the County shall enter into an Economic Development Grant Agreement to set forth the terms, conditions, performance standards, and sanctions to govern the handling of EDG award funds.

4. The Applicant must file an Economic Development Grant Application Form annually during the Applicant's period of eligibility. All Nassau County *ad valorem* taxes for the grant year must be paid before applying for the Economic Development grant. The EDG application form shall be available from the Nassau County Economic Development Board.

5. The application form must be filed with the NCEDB by mail or electronically. NCEDB will transmit a copy of this application form to the Nassau County Manager when it is received.

6. The NCEDB will recommend to the Nassau County Board of Commissioners the dollar amount of the grant to be awarded. Upfront performance measures must be met and maintained by the Applicant for the entire period of grant eligibility in order to receive the full amount of the annual grant.

7. The Nassau County Board of Commissioners may accept the NCEDB's recommendation or adjust the dollar amount to be awarded at its sole discretion. The County may adjust actual awards accordingly if performance measures are not achieved or maintained.

SECTION 5. GRANT NOT PAYABLE THROUGH *AD VALOREM* REVENUE

The Economic Development Grant shall not be deemed to constitute a debt, liability, or obligation of the County or of the State of Florida or any political subdivision thereof within the meaning of any constitutional or statutory limitation, or a pledge of the faith and credit or taxing power of the County or of the State of Florida or any political subdivision thereof, but shall be

payable solely from the funds provided for that purpose. The EDG Agreement shall contain a statement to the effect that the County shall not be obligated to pay the EDG or any installment thereof except from the non-*ad valorem* revenues or other legally available funds provided for that purpose, that neither the faith and credit nor the taxing power of the County or of the State of Florida or any political subdivision thereof is pledged to the payment of the EDG or any installment thereof, and that the Applicant, or any other person whomsoever, shall never have any right, directly or indirectly, to compel the exercise of the *ad valorem* taxing power of the County or the State of Florida or any political subdivision thereof for the payment of the EDG or any installment thereof.

SECTION 6. EFFECTIVE DATE

This Ordinance shall be effective upon filing with the Secretary of State.

DULY ADOPTED this ___ day of _____, 2012.

BOARD OF COUNTY COMMISSIONERS
NASSAU COUNTY, FLORIDA

_____
STACY T. JOHNSON
Its: Chair

Attest as to Chair's signature

_____
JOHN A. CRAWFORD
Its: Ex-Officio Clerk

APPROVED AS TO FORM BY THE
NASSAU COUNTY ATTORNEY:

_____

DAVID A. HALLMAN

Exhibit A

List of Nassau County Target Industries. (last updated July 26, 2011)

Aviation & Aerospace
- Aircraft & Aircraft Parts Manufacturing
- MRO of Aircraft & Space Vehicles
- Navigation Instrument Manufacturing

Clean Energy
- Solar, Wind & Ocean Energy Equipment Manufacturing
- Biomass Energy/Biofuels Processing
- Fuel Cells & Energy Storage

Financial & Professional Services
- Banking
- Insurance
- Securities & Investments
- Engineering
- Legal
- Accounting
- Consulting

Global Logistics
- Warehousing & Distribution
- Materials Handling & Processing incl. Security of Goods
- Logistics Software Development

Information Technology
- Electronics Manufacturing & Testing
- Modeling/Simulation/Training
- Photonics/Lasers/Optics
- Software Development
- Telecommunications

Life Sciences
- Biotechnology
- Medical Device Manufacturing
- Pharmaceuticals

Other Manufacturing
- Automotive & Marine
- Automotive Supplies
- Specialty Industrial Manufacturing
- Food & Beverage
- Precision Machining/Machine Tooling
- OEM's

Corporate Headquarters