

FISCAL IMPACT STATEMENT

Indicate the **Total Fiscal Impact** of the action requested, including personnel, operating, and capital costs. Indicate costs for the current fiscal year and continuing costs in future years. Include all related costs necessary to place the asset in service.

1. DESCRIPTION: Limbach Facility Services, LLC Qualified Target Industry Tax Refund Resolution amending a Resolution

COSTS:

2. Does the acceptance of this action require the hiring of additional or new personnel or the use of overtime?
☐ Yes ☒ No (if Yes, include all personnel costs below).

3. Is the action funded in the current year budget and/or through reallocation of existing Department resources:
☐ Yes ☒ No If No, how will this item be funded? The City's matching contribution funds will be drawn from the Non-Departmental Economic Development Fund (General Fund 0001 F/EDV/EDV0002 C) and budgeted over seven years, beginning in Fiscal Year 2017/2018 and ending in Fiscal Year 2023/2024. PLEASE NOTE: If the action is funded by a grant received by the City please include the fiscal year of the funding award, grantor name, granting agency or office name (if any), grant name and when the grant agreement was approved by City Council.

Did this item require BRC action? ☐ Yes ☒ No If Yes, BRC Date: _____ BRC Item #: _____

4. This item will be charged to Fund/Dept/Program/Project: General Fund 0001 F/EDV/EDV0002 C.

5.	(a) Current Year Estimate	(b) Next Year Annualized	(c) Annual Continuing Costs Thereafter
Personnel	\$0	\$0	\$0
Operating	\$0	0	
Capital	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u>\$0</u>	<u>0</u>	<u>See below</u>

6. If costs do not continue indefinitely, explain nature and expiration date of costs: The City shall pay the "local financial support" for QTI in the following amounts:

<u>2017/2018</u>	<u>\$1,650</u>
<u>2018/2019</u>	<u>\$2,850</u>
<u>2019/2020</u>	<u>\$3,750</u>
<u>2020/2021</u>	<u>\$4,650</u>
<u>2021/2022</u>	<u>\$3,000</u>
<u>2022/2023</u>	<u>\$1,800</u>
<u>2023/2024</u>	<u>\$900</u>
<u>Total</u>	<u>\$18,600</u>

7. OTHER COSTS

(a). Are there any future costs, one-time payments, lump sum payments, or other costs payable for this item at a later date that are **not** reflected above: ☐ Yes ☐ No

(b) If yes, by Fiscal Year, identify the dollar amount and year payment is due: \$ _____ Payment due date _____

(c) What is the nature of these costs: n/a

REVENUE:

8. What is the estimated increase in "valuation" added to the tax rolls? \$ _____. Tax roll increase is:
☐ real property, ☐ tangible personal property, ☐ other (identify _____).

9. What is source of the revenue and the estimated annual recurring revenue? Source: _____ \$ _____

10. If non-recurring, what is the estimated Fiscal Year and amount of non-recurring revenue that will be realized?
Source n/a Fiscal year _____ \$ _____ non-recurring revenue

11. What is the Payback period? _____ years

12. JUSTIFICATION: Document justification for request. Include anticipated economies or efficiencies to be realized by the City, including reductions in personnel or actual cost (cash flow) reductions to be realized in your budget.

Limbach Facility Services, LLC is an industry-leading provider of sustainable building solutions focused on innovative and cost-effective HVAC management. The company had grown into one of the nation's premier mechanical contractors, with over 1,200 employees throughout the U.S.

On January 11, 2016, the Orlando City Council approved a Qualified Target Industry (QTI) Tax Refund Program Resolution for the creation of an additional 31 new jobs.

The previously approved resolution contained a pay-out schedule for local financial support that included a High-Impact Sector Bonus, in addition to the base QTI award and an average wage level of \$74,500, which is 150% of the Orange County average annual wage. It has been determined that while the project falls within the targeted industry of corporate headquarters, the related jobs are not classified as "high-impact sector" positions. Additionally, the average wage of the proposed jobs has been adjusted to \$46,936, which is 115% of the Orlando MSA average annual wage. This results in a lower per job award and decreases the City's local financial support from \$37,500 to \$18,600.

This amended resolution will supersede and replace the resolution adopted on January 11, 2016.

The City of Orlando will provide \$18,600 as an incentive over a seven-year period.

13. APPROVED: Lillian Scott-Payne (Submitting Director or authorized Division Mgr **Only**)

FIS 3/14/08