

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: Economic Development Incentive Agreement Between the City of Orlando and KPMG

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 tax rebate will come from Non-Departmental Economic Development Fund (100.984.6350) and budgeted over five years, beginning in Fiscal Year 2020/2021 and ending in Fiscal Year 2026/2027. 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 tax rebate proposed will not exceed 25% of the City of Orlando real and tangible personal property taxes assessed against the property for a period of seven years beginning in Fiscal Year 2020-2021 through Fiscal Year 2026-2027, with the maximum cumulative rebate amount over that time period not exceeding \$3,502,887 and the maximum annual rebate amount not exceeding \$500,412.

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. KPMG is seeking a site for an 800,000 square foot training and conference center with a lodging facility for employees attending the training and conference center.

The City of Orlando proposes to provide KPMG a Tax Rebate in an amount not to exceed 25% of the City of Orlando real and tangible property taxes assessed on the property for a period of seven years beginning in Fiscal Year 2020-

2021 through 2026-2027, with a maximum cumulative rebate amount over that time period not exceeding \$3,502,887 and the maximum annual rebate amount not exceeding \$500,412.

In additional to the Tax Rebate, the City will also support the local match for State of Florida's Qualified Target Industry Tax Refund Program. This local match will total \$64,000.

The City of Orlando will benefit from the development of KPMG's training, conference center and lodging facility through continued job growth and investment plus an additional economic impact from the 48,000 KPMG employees expected to travel to Orlando each year for training and professional development.

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

FIS 3/14/08