SUMTER COUNTY BOARD OF COUNTY COMMISSIONERS
EXECUTIVE SUMMARY

SUBJECT: **Existing Business Industry Incentive Agreement between Sumter County and Salty Boats RJL, Inc. (Staff Recommends Approval).**

REQUESTED ACTION: **Staff Recommends Approval**

Meeting Type: Regular Meeting **DATE OF MEETING:** **2/9/2021**

CONTRACT: ☐ N/A Vendor/Entity: Salty Boats RJL, Inc.
Effective Date: 2/9/2021 Termination Date: 2/10/2025
Managing Division / Dept.: **Economic Development**

BUDGET IMPACT: $89,000 divided over three fiscal years
FUNDING SOURCE: General Fund
Type: Annual **EXPENDITURE ACCOUNT:** **001-011-552-4919**

HISTORY/FACTS/ISSUES:

Salty Boats RJL, Inc. is expanding their boat manufacturing operations in Sumter County. This agreement includes a proposed capital investment total of $800,000 for the expansion project. The building capital investment is estimated at $700,000 and the equipment investment associated with the building capital investment is estimated at $100,000.

The incentive agreement between Salty Boats RJL, Inc. and Sumter County is based on the Sumter County target industry incentive for existing businesses adopted in September 2018. The company is required to make a building capital investment of at least $500,000. The total award amount for this incentive of $89,000 is 12% of the building capital investment ($700,000) estimated at $84,000 plus 5% of the associated equipment ($100,000) estimated at $5,000. The expansion's estimated ten-year tax yield to Sumter County, the Sumter County School Board, and the City of Wildwood is approximately $118,733 with a net ROI of approximately $29,733 during that same period. The incentive award will be paid out as below.

Year 1 incentive payment (FY 21/22): $29,667
Year 2 incentive payment (FY 22/23): $29,667
Year 3 incentive payment (FY 23/24): $29,667

Prepared by: **Frank Calascione** **Grammarly Check** ☒