

**SEMINOLE COUNTY GOVERNMENT
AGENDA MEMORANDUM**

SUBJECT: Ruth's Chris Steak House, Inc. Qualified Targeted Industry (QTI) Resolution

DEPARTMENT: Economic Development **DIVISION:** Economic Development

AUTHORIZED BY: Don Fisher **CONTACT:** William J. McDermott **EXT.** 7132

Agenda Date 02/28/06 **Regular** **Consent** **Work Session** **Briefing**
Public Hearing – 1:30 **Public Hearing – 7:00**

MOTION/RECOMMENDATION:

Approve and authorize the Chairman to execute a resolution recognizing Ruth's Chris Steak House, Inc. as a QTI and providing an appropriation of \$60,000 as local participation in the QTI tax refund program.

BACKGROUND:

Ruth's Chris Steak House, Inc. is expanding their current operations in Seminole County to include a Flagship restaurant and corporate headquarters facility. The two new buildings will be constructed on property to be acquired in Colonial Town Park adjacent to 100 Colonial Town Parkway. 60 new jobs will be added with an average salary of \$70,000, which is 200% above the county's average annual wage.

The anticipated capital investment is \$9,000,000, which includes purchase of equipment and the construction of a new Flagship Restaurant and a new Corporate Headquarters Office which includes a training center and test kitchen.

The Board of County Commissioners is being asked to consider a Qualified Target Industry Incentive (QTI) Award for Ruth's Chris Steak House. The total award is \$300,000. In accordance with the QTI program, local governments are required to provide a 20% match, which in this case would be \$60,000 for Seminole County. Funds are available in the JGI Trust Fund to cover this request.

The project is consistent with stated economic development priorities of Seminole County in several respects;

- The job creation is consistent with the development of high value added job opportunities within the county as stated in the JGI Ordinance, Section 1, (b).
- The project location and industry sector is consistent with the stated objectives of Seminole County's Economic Development Strategy, and the Metro Orlando EDC and Enterprise Florida Economic Development goals and is a corporate headquarters.

Reviewed by:
 Co Atty: [Signature]
 DFS: _____
 Other: _____
 DCM: [Signature]
 CM: [Signature]
 File No. RED 01

QUALIFIED TARGET INDUSTRY TAX REFUND PROGRAM

RESOLUTION NO: _____

A RESOLUTION BY THE GOVERNING BOARD OF SEMINOLE COUNTY, FLORIDA FINDING THAT RUTH'S CHRIS STEAK HOUSE, INC. BE APPROVED AS A QUALIFIED APPLICANT PURSUANT TO S.288.106, FLORIDA STATUTES; AND PROVIDING AN APPROPRIATION OF \$60,000.00 AS LOCAL PARTICIPATION IN THE QUALIFIED TARGET INDUSTRY TAX REFUND PROGRAM FOR FISCAL YEARS 2006/07 THROUGH 2010/11, AND PROVIDING FOR AN EFFECTIVE DATE.

BE IT RESOLVED BY THE GOVERNING BOARD OF SEMINOLE COUNTY, FLORIDA as follows:

WHEREAS, the business is a Corporate Headquarters, *specifically, RUTH'S CHRIS STEAK HOUSE, INC;* and

WHEREAS, RUTH'S CHRIS STEAK HOUSE, INC will be located in Colonial Town Park, Lake Mary, FL; and

WHEREAS, RUTH'S CHRIS STEAK HOUSE, INC. intends to expand the current operations in Seminole County located in Heathrow. Anticipated capital investment will include \$9,000,000.00 for the purchase of equipment and the construction of new facilities; and

WHEREAS, RUTH'S CHRIS STEAK HOUSE, INC will conservatively create 60 high-level new jobs over a one-year period beginning in 2005. These jobs will be professional and specialized with an average salary of \$70,000.00; and

WHEREAS, It is acknowledged that local participation, of which Seminole County will provide a 20% match for a total not to exceed \$60,000.00;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF SEMINOLE COUNTY, FLORIDA that the Board hereby recommends, RUTH'S CHRIS STEAK HOUSE, INC be approved as a Qualified Target Industry Business pursuant to S.288-106, Florida Statutes.

BE IT FURTHER RESOLVED that the necessary commitment of local financial support for the Qualified Target Industry Business for the Qualified Target Industry Tax Refund Program exists in an amount not to exceed \$60,000, that this amount will be paid to the Florida Economic Development Trust Fund as required, in accordance with the Office of Tourism, Trade and Economic Development guidelines, with the stipulation that these funds are intended to represent the "local participation" pursuant to S. 288-106, Florida Statutes.

This resolution shall take effect immediately upon its adoption.

DULY ADOPTED BY THE GOVERNING BOARD OF SEMINOLE COUNTY, FLORIDA THIS 28TH DAY OF FEBRUARY, 2006.

ATTEST:

**BOARD OF COUNTY COMMISSIONERS
SEMINOLE COUNTY, FLORIDA**

Chairman

Clerk

Total Refund / Exhibit A
Calculation of Phased QTI Refunds for Ruth's Chris Steakhouse, Inc

Potential Per Job Award Amt.

\$ 5,000.00

	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Phase 6	Total Jobs
Jobs	60						60
	12/31/2006						

Potential Total QTI Refunds

	Yr. 1-2007	Yr. 2-'08	Yr. 3-'09	Yr. 4-'10					
Phase 1	75,000	75,000	75,000	75,000					
Phase 2		-	-	-	-				
Phase 3			-	-	-	-			
Phase 4				-	-	-	-		
Phase 5					-	-	-	-	
Phase 6						-	-	-	-
Total:	75,000	75,000	75,000	75,000	-	-	-	-	-
State:	60,000	60,000	60,000	60,000	-	-	-	-	-
Local:	15,000	15,000	15,000	15,000	-	-	-	-	-
Total QTI:	\$ 300,000				\$ 240,000			\$ 60,000	

Local Financial Support / Exhibit B
Calculation of Phased QTI Refunds for Ruth's Chris Steak House, Inc

	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Phase 6	Total Jobs
Jobs	60	0	0	0	0	0	60
	12/31/2006						

QTI Local Financial Support (LFS)

	Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5	Yr. 6	Yr. 7	Yr. 8	Yr. 9
Phase 1	15,000	15,000	15,000	15,000					
Phase 2		-	-	-	-				
Phase 3			-	-	-	-			
Phase 4				-	-	-	-		
Phase 5					-	-	-	-	
Phase 6						-	-	-	-
Local:	15,000	15,000	15,000	15,000	-	-	-	-	-
Total QTI LFS:	\$	60,000							

Name of Company	Ruth's Chris Steak House, Inc.	
Taxable Value/Capital Investment		\$9,000,000
Company Information:	Corporate HQ	
Proposed Location:	Colonial Center Parkway	
Incentive Award / QTI 20% Local Match		\$ 60,000
Taxing Entities (Ad Valorem):	*Rate	Tax (\$)
Countywide/General Fund	0.0049989	\$ 44,990
Countywide/Transportation	0.0001228	\$ 1,105
Countywide/Debt Service	0.0002041	\$ 1,837
St. Johns River Water Management District	0.0004620	\$ 4,158
School Board	0.0079650	\$ 71,685
		\$ -
Total		\$ 123,775
*Note: Based on 2005 millage rates.		



County Only	Return of Ad Valorem	
Seminole County/General Fund Only	1.3	Years
Seminole County/All BCC Millages	1.3	Years



All countywide	Return of Ad Valorem	
Countywide	0.5	Years