

An ordinance of the City Council of Port St. Lucie approving an economic development ad valorem tax exemption for Accel International.

Presented by:

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Project Location

11775 SW
Tom Mackie
Blvd
Port St. Lucie



Project Overview

Executive Summary

- Accel International constructed a 150,000 sf manufacturing facility located at 11775 SW Tom Mackie Blvd.
- Accel International manufactures high performance conductors serving the aerospace, medical, industrial and computer industries.

Project Overview

- The capital investment includes \$43,000,000 in real property and machinery/equipment.
- The company will create 125 new high-wage jobs paying an average of \$47,000 plus benefits.

Economic Impact

New Construction



\$21.2M
New Construction
 One-time sales output

	Employment	Labor Income (Payroll)	Value Added	Output
New Construction				
- Direct Effect	105	\$5.09M	\$7M	\$12M
- Indirect Effect	17	\$970K	\$1.6M	\$3.04M
- Induced Effect	44	\$1.93	\$3.5M	\$6.17M
Total	166	\$7.9M	\$12.1M	\$21.2M

New Jobs



\$20M
Job Creation
 Annual Recurring Payroll

	Employment	Labor Income (Payroll)	Value Added	Output
New Project Job Creation				
- Direct Effect	125	\$5.87M	\$11.3M	\$106.3M
- Indirect Effect	148	\$9.03M	\$15.48M	\$27.2M
- Induced Effect	120	\$5.1 M	\$9.47M	\$16.5M
Total	393	\$20M	\$36.3M	\$150M

Economic Development Ad Valorem Tax Exemption

- Accel International's economic development ad valorem tax exemption will be 100% for the first five years the exemption is granted. The exemption will decrease to 90% in year six; 80% in year seven; 60% in year eight; 40% in year nine and 20% in year ten.
- The capital investment was valued by the Property Appraiser's Office as \$13,310,100 in real property and \$5,399,642 in personal property value.
- The exemption will be for a ten-year period beginning fiscal year 2024 and continuing through fiscal year 2034.
- Per the St. Lucie County Property Appraiser, the amount of revenue currently available from ad valorem tax sources for the current fiscal year is \$258,924,008.10. The City lost \$620,114.64 for the current fiscal year due to exemptions previously granted.
- The estimated revenue lost during the current fiscal year if the exemption applied for Accel International is granted is \$134,461.30.

Monitoring and compliance

- Verification of new employment will begin 2024. Accel International will provide a copy of their affidavit and quarterly reports for 2024 in January 2025.
- The employment reports will be reviewed by staff to confirm the company created 125 new jobs based on their employment schedule.
- The City Council reserves the right to repeal Accel International's economic development ad valorem exemption if the company fails to meet the criteria set forth for any of the years the exemption is granted.

Recommendation

- The staff recommends the City Council approve the economic development ad valorem exemption for Accel International's expansion to Port St. Lucie.