

# Memorandum



**Date:** October 7, 2008

Agenda Item No. 8(K)(1)(D)

**To:** Honorable Chairman Bruno A. Barreiro  
and Members, Board of County Commissioners

**From:** George M. Burgess  
County Manager

**Subject:** Resolution in Support of Confidential Project 08-00241  
for a State of Florida Brownfield Redevelopment Bonus Refund

## **Recommendation**

It is recommended that the Board of County Commissioners supports the approval of Confidential Project 08-00241 for a State of Florida Brownfield Redevelopment Bonus Refund, with Miami-Dade County opting out of the local match.

## **Scope**

It is expected that this project will primarily impact Commission District 1; however the relocation of this business will also have a positive countywide impact due to direct and indirect employment and project investment.

## **Fiscal Impact / Funding Source**

Through this program, the business is eligible to receive \$2,500 per each job created. The State of Florida will pay 80 percent (or \$2,000) for each job created. The County is opting out of its 20 percent match; therefore support for the business to receive a Brownfield Redevelopment Bonus will not create an additional fiscal impact to the County.

The County is already supporting the relocation of this business through the Qualified Target Industry (QTI) and Targeted Jobs Incentive Fund (TJIF) programs. If the QTI and TJIF incentives on this same agenda as separate items are approved, the County will commit a total of \$1,630,200 in general funds.

## **Track Record/Monitor**

This is a new business in Miami-Dade County without a local track record. The state will pay 100 percent of the incentive (\$2,000 per job created) and verify that all conditions have been met.

## **Background**

The State of Florida created the Brownfield Redevelopment Bonus Refund Program in Section 288.107 of the Florida Statutes. The Brownfield Redevelopment Bonus is available to encourage redevelopment and job creation within designated Brownfield areas. Pre-approved applicants receive tax refunds of up to \$2,500 per new job created. The amount of the refund is equal to 20 percent of the average annual wage of the new jobs created. Refunds are based on taxes paid by the business, including corporate income, sales, ad valorem, intangible personal property, insurance premium, and certain other taxes. No more than 25 percent of the total refund approved may be paid in any single fiscal year.

To qualify, an applicant must locate the business within a Brownfield area and:

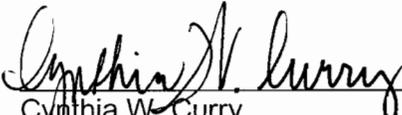
- 1) Be certified as a QTI business as defined in Section 288.106, Florida Statutes (which will occur on this same agenda through a separate item);

Honorable Chairman, Bruno A. Barreiro  
and Members, Board of County Commissioners  
Page 2

- 2) Be a business that can demonstrate a fixed capital investment of at least \$2 million in mixed-use business (including multi-unit housing, commercial, retail, and industrial) activities located in a brownfield area;
- 3) Create at least ten new Florida full-time jobs with benefits, excluding construction and site remediation jobs;
- 4) Demonstrate that the project will diversify and strengthen the economy of the area surrounding the site;
- 5) Demonstrate that the project will promote capital investment in the area beyond that contemplated for the rehabilitation of the site;
- 6) Provide a local resolution supporting the local match, or opting out of the match (as is being done in this item).

Confidential Project 08-00241 will bring a high profile international aviation and aerospace company to Miami-Dade County. In addition to constructing a new 250,000 square feet headquarters facility and creating 410 jobs, the company will establish an aerospace research and development center that will bring vendors and related industry companies to the same location as an industry cluster.

Attachment

  
\_\_\_\_\_  
Cynthia W. Curry  
Senior Advisor to the County Manager



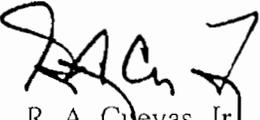
# MEMORANDUM

(Revised)

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**TO:** Honorable Bruno A. Barreiro  
and Members, Board of County Commissioners

**DATE:** October 7, 2008

**FROM:**   
R. A. Cuevas, Jr.  
County Attorney

**SUBJECT:** Agenda Item No. 8(K)(1)(D)

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Please note any items checked.

- "4-Day Rule" ("3-Day Rule" for committees) applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Bid waiver requiring County Manager's written recommendation
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- Housekeeping item (no policy decision required)
- No committee review

Approved \_\_\_\_\_ Mayor  
Veto \_\_\_\_\_  
Override \_\_\_\_\_

Agenda Item No. 8(K)(1)(D)  
10-7-08

RESOLUTION NO. \_\_\_\_\_

RESOLUTION SUPPORTING CONFIDENTIAL PROJECT  
#08-00241 FOR A STATE OF FLORIDA BROWNFIELD  
REDEVELOPMENT BONUS REFUND WHILE OPTING  
OUT OF THE LOCAL MATCH

**WHEREAS**, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA**, that this Board supports Confidential Project #08-00241 State of Florida Brownfield Redevelopment Bonus Refund while opting out of the local match.

The foregoing resolution was offered by Commissioner \_\_\_\_\_ who moved its adoption. The motion was seconded by Commissioner \_\_\_\_\_ and upon being put to a vote, the vote was as follows:

Bruno A. Barreiro, Chairman	
Barbara J. Jordan, Vice-Chairwoman	
Jose "Pepe" Diaz	Audrey M. Edmonson
Carlos A. Gimenez	Sally A. Heyman
Joe A. Martinez	Dennis C. Moss
Dorrian D. Rolle	Natacha Seijas
Katy Sorenson	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 7<sup>th</sup> day of October, 2008. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA  
BY ITS BOARD OF COUNTY  
COMMISSIONERS

HARVEY RUVIN, CLERK

Approved by County Attorney as  
to form and legal sufficiency.



By: \_\_\_\_\_  
Deputy Clerk

Shannon D. Summerset

**Qualified Targeted  
Industry Tax Refund  
(QTI)  
&  
Targeted Job Incentive  
Fund (TJIF)**

**Confidential Project #: 08-00241**

**Prepared by the Beacon Council  
May 2008**

## **Executive Summary**

### **Background**

Confidential Project #08-00241 is an aviation manufacturer currently based in Germany that is evaluating the establishment of a manufacturing and headquarters facility in Miami-Dade County.

Confidential Project #08-00241 will create 410 new jobs with an average annualized salary of \$57,000 in Miami-Dade County over a 4 - year period. The company will invest \$55 million in a new 250,000 square feet aviation manufacturing facility and new equipment. Other location options include Long Beach, California as well as European and Middle Eastern.

The application of Confidential Project #08-00241 for a QTI/TJIF combination recognizes the creation of new jobs as well as the significant capital being committed by the project. We recommend that both the QTI and TJIF applications include a 7-year payout period, an increase from the normal 6-year payout period. The length of the QTI and TJIF payout was extended with support from the State in recognition of all 410 jobs being created over a 4-year period.

The project is evaluating an Enterprise Zone and Brownfield Zone site at Opa-Locka Airport. The enclosed QTI/TJIF application package requests a maximum of \$1,630,200 be paid over a period of seven years (20% QTI at \$574,000 and 100% TJIF at \$1,056,200) and provides a positive ROI to the County of 1.1.

In addition, Confidential Project #08-00241 is requesting consideration of the Brownfield Redevelopment Bonus. The project is eligible to apply for the Brownfield Redevelopment Bonus based on the following criteria: the company will locate in a County designated Brownfield Zone at Opa-locka Airport, the company is a certified QTI business, fixed capital investment will exceed \$2 million, job creation will exceed 10 new permanent positions, and the company will promote capital investment in the area beyond the site rehabilitation with the establishment of an Aerospace R&D facility and a Center of Excellence.

These are performance-based incentives. No funds will be provided to the Company until they meet all program requirements.

**General Funds derived from the incremental tax revenue will be used to fund the county contribution. CDBG Funds will not be used.**

**INCENTIVE PROPOSAL SUMMARY:**  
**CONFIDENTIAL PROJECT 08-00241**

<b>Project Summary:</b>	
Project Name	#08-00241
New Jobs	410
Average Salary	\$57,000
New Capital Investment	\$55,000,000
Square Footage	250,000
<b>QTI and TJIF Breakdown:</b>	<b>Enterprise Zone</b>
Total New Property Taxes (General Fund Only)	\$1,699,834
QTI Miami-Dade County Match (20%)	\$574,000
QTI Portion from Local Sales Taxes	\$100,349
QTI Portion from Local Property Taxes	\$473,651
TJIF Local Incentive Amount	\$1,056,200
<b>Summary Totals:</b>	
Miami-Dade County QTI + TJIF Amount for Miami- Dade County	\$1,630,200
Net Revenue Benefit to Miami-Dade	\$169,983
Total ROI	1.1

# GENERAL PROJECT OVERVIEW

\_\_\_\_\_  
Name of Business

08-00241

\_\_\_\_\_  
Project Title or Code Name (1-5 word description)

FOR EFI USE ONLY		
_____ Date Received	_____ Date Revised	_____ Date Completed
_____ EFI Project Number		

Contact Enterprise Florida to discuss your project and application **before** submitting a formal proposal. The completed and signed application must be filed with:



The Atrium Building, Suite 201 • 325 John Knox Road  
Tallahassee, Florida 32303  
850/298-6620 • Fax: 850/298-6659  
<http://www.eflorida.com/>

9

# GENERAL PROJECT OVERVIEW

To add text outside of the gray fields or click the statutory reference link, de-select the "Protect Form" (lock) button on the Forms toolbar.

## 1. BUSINESS INFORMATION

- A. Name of Business Unit: \_\_\_\_\_
- B. Mailing Address: \_\_\_\_\_  
*Street Address*
- \_\_\_\_\_ *City* \_\_\_\_\_ *State* \_\_\_\_\_ *Zip Code*
- C. Name of Parent Company: \_\_\_\_\_  
N/A
- D. Primary Business Unit Contact: \_\_\_\_\_  
Title: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
*Street Address*
- \_\_\_\_\_ *City* \_\_\_\_\_ *State* \_\_\_\_\_ *Zip Code*
- Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_
- Email: \_\_\_\_\_ Website: \_\_\_\_\_
- E. Business Unit's Federal Employer Identification Number: \_\_\_\_\_
- F. Business Unit's Unemployment Compensation Number: \_\_\_\_\_
- G. Business Unit's Florida Sales Tax Registration Number: \_\_\_\_\_
- H. Is the business unit minority owned?  
Yes  No  If yes, explain: \_\_\_\_\_
- I. What is the business unit's tax year (ex: Jan 1 to Dec 31): Dec 31

## 2. PROJECT OVERVIEW

- A. Which of the following best describes this business unit<sup>1</sup>:  
 New business unit to Florida  
 Existing Florida business creating and / or retaining jobs<sup>2,3</sup>  
If an expansion, how many jobs are currently in the expanding  
\_\_\_\_\_ business unit?
- B. How many individuals are employed at all Florida locations? 0
- C. Are any jobs being transferred from other Florida locations<sup>4</sup>?  
Yes  No  If yes, how many jobs and from where? \_\_\_\_\_  
Why are these jobs moving and why is it justified in light of the statutory language governing the applicable incentive program(s)? \_\_\_\_\_

<sup>1</sup> Must be a separate business unit or reporting unit of a business unit that is or will be registered with the State of Florida for unemployment compensation purposes.

<sup>2</sup> A QTI Tax Refund award cannot be granted for existing Florida jobs.

<sup>3</sup> Incentives may not be used in connection with a project that involves the relocation of jobs from one Florida community to another except in certain circumstances as described in statute.

<sup>4</sup> Incentives may not be used in connection with a project that involves the relocation of jobs from one Florida community to another except in certain circumstances as described in statute.

## GENERAL PROJECT OVERVIEW

To add text outside of the gray fields or click the statutory reference link, de-select the "Protect Form" (lock) button on the Forms toolbar.

**D. Give a full description of this project, including the primary business activities / functions:**

Establishment of a new aviation manufacturer to construct a fully certified aircraft  
HQ / Aviation & Aerospace

**E. What is the project's Targeted Industry(ies)<sup>5</sup>:** Manufacturer

**F. Break down the project's primary function(s) and the corresponding wages:**

Business Unit Activities	NAICS Code	Project Function <small>(total = 100%)</small>	Annualized Wage (\$)
Management	551114	30%	\$85,000
Manufacturing/Production	336413	70%	\$45,000

**G. What is the project's proposed location address:**

Opa-locka Airport  
Street Address

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

**What is the project's current location address (if different):**

Germany  
Street Address

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

**H. Is the project location within a current or proposed Brownfield site / area?**

Yes  No  If yes, attach a copy of the official document designating the Brownfield area.

**Is the project location in an Enterprise Zone?**

Yes  No  If yes, which zone? Central

**Is the project location in a designated Rural area?**

Yes  No  If yes, which Rural area? \_\_\_\_\_

**I. Which of the following describes the applicant's operations (select all that apply):**

- Multi-state business enterprise
- Multinational business enterprise
- Florida business enterprise (eligible for Brownfield Redevelopment Bonus incentive only)

**J. Which of the following describes this business unit (select all that apply):**

- Regional headquarters office
- National headquarters office
- International headquarters office
- This is not a dedicated headquarters office

**K. What is the estimated percentage of gross receipts or final sales resulting from this project that will be made outside of Florida (if sales is not a reasonable measure, use another basis for measure and provide explanation below):**

90% Explain, if necessary: Sales through international distributors

### 3. JOB AND WAGE OVERVIEW

**A. How many jobs<sup>6</sup> are expected to be created as part of this project?**

410

<sup>5</sup> Refer to the QTI Target Industry list.

<sup>6</sup> A "full time equivalent job" means at least 35 hours of paid work per week.

## GENERAL PROJECT OVERVIEW

To add text outside of the gray fields or click the statutory reference link, de-select the "Protect Form" (lock) button on the Forms toolbar.

- B. If an existing business unit, how many jobs are expected to be retained as part of this project?** (jobs in jeopardy of leaving Florida should only be included here; these jobs are not eligible for QT!) n/a
- C. What is the anticipated annualized average wage (excluding benefits) of the new to Florida jobs created as part of this project?** (Cash payments to the employees such as performance bonuses and overtime should be included. The wage reported here is only an estimate of the average wage to be paid and will not be used in the certification, agreement, and claim evaluation process.) \$57,000
- D. What is the annualized average value of benefits associated with each new job created as part of this project?** \$25,000
- E. What benefits are included in this value?** (health insurance, 401(k) contributions, vacation and sick leave, etc.)  
Health insurance, dental, paid vacation and sick leave

### 4. CAPITAL INVESTMENT OVERVIEW

- A. Describe the capital investment in real and personal property** (Examples: construction of new facility; remodeling of facility; upgrading, replacing, or buying new equipment. Do not include the value of land purchased for construction of a new building):  
\$55 US Millions
- B. Will this facility be:**
- Leased space with renovations or build out
  - Land purchase and construction of a new building
  - Purchase of existing building(s) with renovations
  - Addition to existing building(s) (already owned)
  - Other (please describe in 4A above)
- C. List the anticipated amount and type of major capital investment to be made by the applicant in connection with this project:** (attach separate schedule if investment will be made over more than three years)
- |  | Year 1        | Year 2        | Year 3    |
|--|---------------|---------------|-----------|
| Land   | \$            | \$            | \$        |
| Construction / Renovations                                   | \$25MM        | \$15MM        | \$        |
| Manufacturing Equipment                                      | \$10 MM       | \$5MM         | \$        |
| R&D Equipment  | \$            | \$            | \$        |
| Other Equipment (computer equipment, office furniture, etc.) | \$            | \$            | \$        |
| <b>Total Capital Investment</b>                              | <b>\$35MM</b> | <b>\$20MM</b> | <b>\$</b> |
- D. What is the estimated square footage of the new or expanded facility?** 250,000
- E. When is the final location decision anticipated (date)?** Summer/Fall 2008
- F. What is the anticipated date construction will begin?** January 2009  
Fall/Winter 2008
- G. What is the anticipated date operations will commence?** (hiring)

12

## GENERAL PROJECT OVERVIEW

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### 5. COMPETITIVE LANDSCAPE

- A. What role will the incentive(s) play in the business unit's decision to locate, expand, or remain in Florida?**  
Incentives are decisive to the location decision and are necessary to offset start up costs.
- 
- B. What other cities, states, or countries are being considered for this project?**  
US: Long Beach, California, North/South Carolina. United Arab Emirates, Croatia, Indonesia.
- 
- C. What advantages or incentives offered by these locations do you consider important in your decision?**  
Land allocation, labor costs capital investment, tax relief, and human resources assistance
- 
- D. Indicate any additional internal or external competitive issues impacting this project's location decision?**  
Accessibility and build up of land in an airport runway longer than 3000ft
- 

### 6. ECONOMIC IMPACT AND CORPORATE RESPONSIBILITY

- A. Provide a brief synopsis of the special impacts the project is expected to stimulate in the community, the state, and the regional economy.** Include the impact on indicators such as unemployment rate, poverty rate, and per capita income. Beyond the direct job creation and construction of new facility, the company will establish an Aerospace R&D and center of excellence that will bring vendors and related industry companies to the same location as an Industry cluster.
- 
- B. Provide a summary of past activities in Florida and in other states particularly as they relate to environmental or growth management impacts.** For example, what kind of corporate citizen has the applicant been? Also list awards or commendations.  
N/A
- 
- C. List and explain any criminal or civil fines or penalties or ongoing investigations that have been imposed upon the company, its executives, or its affiliates and any recent bankruptcy proceedings of the applicant or its parent company.**  
N/A
- 
- D. Provide any additional information you wish to be considered as part of this incentive application or items that may provide supplementary background information on your project or company.**  
Project will create a worldwide center of excellence of its kind and establish niche aviation market in Miami-Dade County.
- 

### 7. CONFIDENTIALITY

- A. You may request that your project information (including information contained in this application) be confidential per F.S. 288.075, Confidentiality of Records for a 12 month period, with an additional 12 month extension available upon request for projects still under consideration.**

**Please indicate your confidentiality preference:** (Does not apply to SDST sales tax exemption applicants)

## GENERAL PROJECT OVERVIEW

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exemption applicants)

Yes

No

**\*\*\*Be sure to attach the proper incentive attachment sheet(s)\*\*\***

# GENERAL PROJECT OVERVIEW

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## 8. SIGNATURES

Application Completed By:

To the best of my knowledge, the information included in this application is accurate.

Signature

Signature (Authorized Company Officer)  
REQUIRED

Name

Name

Title

Title

Company

Company

Address, if different than mailing address

Address, if different than mailing address

Phone Number

Phone Number

Fax Number

Fax Number

Email Address

Email Address

Date

Date

Name of contact person, if different than above

Phone Number

Address

Email Address

15

# Qualified Target Industry Tax Refund Attachment to the General Project Overview

*To add text outside of the gray fields or click the statutory reference link, de-select the "Protect Form" (lock) button on the Forms toolbar.*

**08-00241**

**Name of Business**

*Must be a separate business unit or reporting unit of a business unit that is or will be registered with the State of Florida for unemployment compensation purposes.*

**IMPORTANT NOTE:** This application must be filed and the incentive approved *prior* to making the decision to expand an existing Florida business unit or to locate a new business unit in Florida.

\* \* \*Be sure to submit the General Project Overview and Local Support Resolution<sup>1</sup> following passage by the City / County\* \* \*

## 1. PROJECT EMPLOYMENT AND WAGE COMMITMENTS

**A. What is the total number of net new full-time equivalent Florida jobs created by the project at the business unit<sup>2</sup>?** 410

**B. Provide the job creation schedule to which you commit:** (Please limit the phases to a maximum of three consecutive years and job creation to no less than ten jobs in the first year).

Phase	Number of net new full-time equivalent Florida jobs created in the business unit	Date by which jobs will be created
I	199	12/31/2009
II	98	12/31/2010
III	26	12/31/2011
IV	87	12/31/2012
<b>Total</b>	<b>410</b>	

**C. For the purposes of certification, agreement, and claim review, indicate the average wage and corresponding threshold (percentage) to which you commit:**

Check the relevant box (only one) and fill in the first field (wage commitment) and second field (county, state, or MSA used).

- \$ \_\_\_\_\_, which is at least 115% of the average wage in \_\_\_\_\_.
- \$56,706, which is at least 150% of the average wage in Florida.
- \$ \_\_\_\_\_, which is at least 200% of the average wage in \_\_\_\_\_.

## 2. LOCAL FINANCIAL SUPPORT

**A. Identify the local government(s) anticipated to provide local financial support<sup>3</sup>:**

Miami-Dade County

**B. Indicate the date(s) the QTI support resolution(s) is / are anticipated to be passed by the local government:**

July/September 2008

<sup>1</sup> Submit the resolution adopted by the local governing body recommending the applicant be approved as a QTI Business unit and indicating the amount of local financial support that has been committed. Resolution should clearly indicate waivers requested and justification for such waivers.

<sup>2</sup> Must be a minimum of 10 new jobs and a 10 percent increase in current business unit employment (if an existing Florida business).

<sup>3</sup> The total QTI award may not exceed five times the local financial support provided by the community. If the community has requested a local financial support waiver or the support is provided in the form of ad valorem tax abatement, the QTI award will be reduced by this amount.

# Qualified Target Industry Tax Refund Attachment to the General Project Overview

To add text outside of the gray fields or click the statutory reference link, de-select the "Protect Form" (lock) button on the Forms toolbar.

## 3. SIGNATURES

Signature of Individual Completing this Attachment  
(if different from General Project Overview)

Same as Project Overview  
Date 05/16/08

Address (if different)

Phone Number (if different)

Signature (Authorized Company Officer) REQUIRED

Date

Name and Title of Authorized Officer

## 4. KEY QTI PROGRAM INFORMATION

- The tax refund claim form will be due by January 31<sup>st</sup> each year for the number of jobs on December 31<sup>st</sup> of the previous calendar year. Tax refunds paid per state fiscal year (July 1 – June 30) may not exceed 25 percent of the total tax refund award associated with the phase(s) scheduled.
- The total award will be equal to \$3,000 (\$6,000 in Enterprise Zones or Rural Counties) times the number of jobs reported in item 1A, plus \$1,000 per job if the average annual wage is at least 150% of the area's average; or \$2,000 per job if the average annual wage is at least 200%. However, the QTI award may not exceed five times the local financial support paid by the community.
- If in any year the applicant does not achieve the job creation schedule outlined in item 1C, but achieves at least 80% of the required net new jobs, the company will receive a pro-rated refund less a 5% penalty of the scheduled award amount for that year. **If job creation falls below 80% of the required jobs, the company will not receive a refund and will be terminated from the program.**
- For an expanding Florida business unit:
  - Existing number of full-time equivalent jobs must be maintained for the duration of the QTI agreement.
  - The average wage commitment should include wages paid across the expanding business or reporting unit for all new and existing jobs, as shown on the unit's UCT-6 form. If the project involves activities not representative of the expanding business or reporting unit and are anticipated to be substantially different from the historical range and distribution of jobs and wages paid (higher or lower) in the existing unit, that issue should be disclosed and discussed with Enterprise Florida at the time of application to determine if separate record keeping must be established.
- A qualified target industry business that fraudulently claims a refund under 288.106(2), Florida Statutes:
  - Is liable for repayment of the refund to the account, plus a mandatory penalty in the amount of 200 percent of the tax refund which shall be deposited into the General Revenue Fund.
  - Is guilty of a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.
- Qualified Target Industry Tax Refund: Section 288.106, Florida Statutes.



# Application and Agreement for Targeted Jobs Incentive Fund (TJIF)

**Confidential Project 08-00241**

**Name of Business**

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(Note: if name of company is confidential at time of application, said company name shall be provided and appended to this Application and Agreement by \_\_\_\_\_.)

Important: This Application and Agreement for TJIF shall be in compliance with Miami-Dade County Board of County Commissioners Ordinance No. 00-98 as codified in the Code of Miami-Dade County, Chapter 2, Article LXXXVI, and as further modified by Ordinance No. 02-251, as may be amended.



**The Beacon Council**  
 80 S.W. 8<sup>th</sup> Street, Suite 2400  
 Miami, FL 33130  
 Phone: 305-579-1300  
 Fax: 305-579-7580  
[www.beaconcouncil.com](http://www.beaconcouncil.com)



## Section 1. Targeted Jobs Incentive Fund (TJIF) Background

- 1.1 The Targeted Jobs Incentive Fund is an initiative fashioned by The Beacon Council and Miami-Dade County and patterned after the State of Florida Qualified Target Industry Tax Refund Program (QTI). The program's intent is to attract relocating out-of-area businesses and encourage expansion of existing local companies by providing cash incentive awards. As with the QTI Program, a Company is required to create a certain number of jobs and must also generate enough new revenue to Miami-Dade County to fund its TJIF benefit. While the State's QTI program is limited to certain industries, including corporate headquarters relocation, the TJIF Program may also be utilized for the One Community One Goal (OCOG) industries, as well as the expansion and/or relocation of other operational components of a business (i.e. sales office, warehouse).
- 1.2 The TJIF is an inducement program available only to companies from outside the County (with the exception of Palm Beach, Broward, and Monroe Counties) wishing to relocate here, and to Miami-Dade companies which undertake a business expansion and which create jobs as a result of the local expansion. Nevertheless, a Palm Beach, Broward or Monroe County-located Company that is planning to relocate outside South Florida is eligible for this program. The Company must provide verifiable documentation supporting its consideration of other locales. Any business decisions, such as announcements, leasing of space or hiring of employees, made prior to the final TJIF approval will likely be grounds for disapproval unless waived by the Miami-Dade County Manager after a showing of good cause.
- 1.3 Although the TJIF is available to companies countywide, it is also used to encourage investment and the creation of jobs in Enterprise Zones, the Empowerment Zone and in Urban Targeted Areas by providing business with an additional award per job if the Company locates within these specified areas.
- 1.4 Another goal of the TJIF is to encourage companies to hire residents living in Enterprise Zones, the Empowerment Zone and Urban Targeted Areas. Companies hiring said residents will be eligible to receive an additional amount per new job created.
- 1.5 The TJIF program is strictly a performance-based incentive that is only paid out to the Company after it has met all of its job creation projections, capital investment commitments and must provide the incremental tax revenue necessary to fund the award.

## Section 2. Criteria

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- 2.1 The Targeted Jobs Incentive Fund (TJIF) is limited to the targeted industries as per the State of Florida QTI Program. In addition, the One Community One Goal (OCOG) target industries are also eligible, as are regional offices. They include, but are not limited to, the following:
- a. Corporate Headquarters and Regional Offices;
  - b. Research and Development;
  - c. Chemicals and Allied Products;
  - d. Rubber and Miscellaneous Plasters;
  - e. Fabricated Metal Products;
  - f. Industrial Machinery and Equipment;
  - g. Electronic and Other Electric Equipment;
  - h. Transportation and Transportation Equipment;
  - i. Instruments and Related Products;
  - j. Miscellaneous Manufacturing;
  - k. Printing and Publishing;
  - l. Wholesale Distribution;
  - m. Business Services;
  - n. Security and Commodity Brokers;
  - o. Insurance Carriers;
  - p. Holding and other Investment Offices;
  - q. Non-Depository Credit Institutions;
  - r. Motion Pictures, Film and Entertainment, Sound Recording and Reproduction;
  - s. Communications;
  - t. Apparel and Other Textiles;
  - u. Lumber and Wood Products;
  - v. Furniture and Fixtures;
  - w. Paper and Allied Products;
  - x. Food Manufacturing;
  - y. Stone, Clay, and Glass Products;
  - z. Aviation;
  - aa. Biomedical;
  - bb. Financial Services;
  - cc. Computers and Information Technology;
  - dd. International Commerce;
  - ee. Telecommunications;
  - ff. Visitor and Tourism
- 2.2 The Company must create at least 10 new jobs. If the project is an expansion, the number of new jobs to be created must be the greater of a minimum of five new jobs or at least ten percent of the Company's work force at the time of application.
- 2.2 The County Commission, in recognition of its responsibility to set a community standard that permits full-time workers to live above the poverty line, enacted the Living Wage Ordinance, Section 2-8.9 Miami-Dade County Code. The County, through this ordinance sets an example by providing a living wage to County employees and requires living wages to be paid for County services provided by contractors and similarly by companies receiving incentives for job creation and capital investment through the TJIF program. [http://www.miamidadegov/dbd/library/Living\\_Wage\\_Brochure.pdf](http://www.miamidadegov/dbd/library/Living_Wage_Brochure.pdf)

- 2.3 The Company's countywide ad valorem property taxes, excluding debt service, and countywide portion of sale taxes paid must generate sufficient incremental tax revenue to the County in order to fund the award. Incremental revenue generated by the project shall be determined by utilizing an Economic Impact Model and analysis by both The Beacon Council and County staff. The project must exhibit a positive Return on Investment Incentive of at least 120%.
- 2.4 This Application and Agreement must be signed by the Company and Miami-Dade County stipulating the number of new jobs to be created, the projected amount of capital investment, the amount of the projected tax revenue and the time frame of when the project will be completed. Payment to the Company will only be made after it has achieved all economic benchmarks.
- 2.5 The TJIF is an inducement program that is only available to companies considering a relocation and/or expansion in Miami-Dade County and one or more other communities. The TJIF is utilized to induce "New to Market" companies to relocate to Miami-Dade County (not available for companies located within Palm Beach, Broward and Monroe Counties unless a Company is planning to relocate outside South Florida). Companies located in other Florida counties are eligible for TJIF for any net *new* jobs being created in Miami-Dade County. The Company must provide verifiable documentation supporting its consideration of other locales. Any business decisions, such as announcements, leasing of space or hiring of employees, made prior to the final TJIF approval will likely be grounds for disapproval.

### **Section 3. Program Funding**

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- 3.1 Incremental tax revenue generated by the companies locating or expanding within Miami-Dade County funds the program.

### **Section 4. Award Amounts Provided By Miami-Dade County**

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- 4.1 The total TJIF award is based on the number of new jobs created and the amount of countywide ad valorem property taxes, excluding debt service, and countywide portion of sales taxes paid per annual amounts addressed in the approved application/agreement. The TJIF award is tentatively ascertained, pending Board approval, during application processing by entering application information into the Economic Impact Model. Miami-Dade County will provide a qualifying Company up to (\$9,000.00) per new job in TJIF incentives as follows:

The total award is based on the projected number of new jobs to be created and the amount of countywide ad valorem property taxes, excluding debt service, and countywide portion of sales taxes paid. The base award amount per new job created is up to \$3,000 if the Company is located outside any of the following areas:

Empowerment Zone  
Enterprise Zone  
Target Urban Area  
Brownfields  
Community Development Block Grant areas

If the Company is located within any of the above areas an additional bonus award of up to \$1,500 per new job created is available. Likewise, if the Company employs a resident of one of the above areas an additional bonus award of up to \$1,500 per new job created is also available.

Up to \$1,500 bonus for companies with a building or facility that qualifies as "green construction" and/or that incorporates alternative energy systems. Specially, a company can receive a bonus of up to \$1,000 if the Company's building or facility qualifies as "green construction" and is certified through the Leadership in Energy and Environmental Design (LEED) Green Building Rating system by the Florida Green Building Council or by the U.S. Green Building Council; and an additional bonus of up to \$500 if the Company's building or facility incorporates solar, thermal, photovoltaic, fuel cell, and/or co-generating energy generation. The alternative energy systems, with the exception of solar thermal, must be grid interconnected to the local utility to qualify.

Up to \$1,500 bonus, if the company is in the business of Solar Thermal and Photovoltaic Manufacturing, Installation and Repair.

Consideration for award within a municipality or unincorporated Miami-Dade County will be evaluated on a case-by-case basis.

- 4.2 A capital investment TJIF award may be provided to a Company when the minimum number of New Jobs has been created and when new capital investment by and/or for the Company exceeds \$3 million in taxable property value. For a period of up to six (6) years (or longer as may be determined by the Board), the Company may receive said capital investment TJIF awards in the amount of eighty percent (80%) of the amount of countywide ad valorem property taxes paid-in on the subject property and one hundred (100) percent of the amount of countywide ad valorem property taxes paid-in on the subject property if it is located in a Designated Priority Area. This award is not applicable to the ad valorem property taxes paid-in on the subject property's land value nor to any improvements in place prior to the project.
- 4.3 A Company may not receive award payments of more than twenty five percent (25%) of the total awards specified in the approved application/agreement in any fiscal year even if all the New Jobs are created in one (1) year. Further, a Company may not receive more than \$1.5 million in awards in any single fiscal year, or more than \$2.5 million in any single fiscal year if the project is located in a Designated Priority Area. A Company may not receive more than \$5 million in award payments in all fiscal years, or more than \$7.5 million (or higher amount as may be determined by the Board for inside or outside a Designated Priority Area) if the project is located in a Designated Priority Area. Further, the total award is capped by the lower of the above or the total of the applicable ad valorem property and sales taxes paid-in as a result of the project. Additionally, a Company cannot receive both a TJIF award and Enterprise Zone Tax Abatements unless the TJIF award is in excess of the Abatement; a Company cannot receive both the TJIF award on large capital investment taxes paid-in and the TJIF regular ad valorem property tax funded award; and, while a Company can receive both a tax refund under the State of Florida Qualified Target Industry Program and a TJIF award at the same time, it cannot receive more than an amount equal to what it has paid-in under the project at any time.

## **Section 5. Payment of Incentive**

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- 5.1 The TJIF is a performance based incentive program; therefore, verification of the new jobs created, capital investment made by the Company, and new revenue generated to Miami-Dade County must be verified by the County prior to any disbursement of funds to the Company. This procedure must be repeated each year that the Company submits a claim for the TJIF payment. The year that is applicable for consideration of taxes paid-in resulting in incremental tax revenue is April 1 through March 31. Company award claims must be submitted each year during the period of April 1 through May 15. Any award appropriation, if made by the Miami-Dade County Board of County Commissioners will be paid in the County fiscal year that begins on October 1 following the May 15 claims-submission deadline date.
- 5.2 The TJIF incentive is paid out beginning after the first year the new jobs are created. For instance, if a Company has projected creating 400 new jobs, 100 per year during a four-year period, the incentive will be paid for the first 100 jobs in the year after the jobs have been created. Disbursement shall be over four years even if all the new jobs are created in one year. Payment to the Company will only be made after it has achieved all economic benchmarks. A Company's incremental tax revenue paid to Miami-Dade County must be sufficient to fund the Company's award. In keeping with the State QTI program requirements, a Company receiving a cash incentive award under this TJIF program and also applying for and receiving Enterprise Zone tax abatements, must, in any given year, have its TJIF cash incentive award reduced by the amount of any such tax abatement granted.

## **Section 6. Application Process**

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- 6.1 Any Company that meets the criteria and objectives of the TJIF must submit this Application and Agreement to The Beacon Council for review. The Beacon Council will prepare an economic impact analysis for the project, based on the information provided by the Company.
- 6.2 The completed Application and Agreement is submitted to Miami-Dade County for verification and concurrence with the economic impact analysis provided by The Beacon Council. The analysis should reflect a Return On Incentive Investment (ROI) of at least 120% if the Company is not located in a Designated Priority Area, at least 110% if the Company is located in a Designated Priority Area, and at least 100% if the Company is located in a Designated Priority Area and the Board of County Commissioners finds such increase is in the public's best interest and approves said ROI when jointly recommended by The Beacon Council and the County Manager. The Beacon Council presents Company Application and Agreement along with its analysis and recommendation to Miami-Dade County.

## **Section 7. Review and Approval Process**

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- 7.1 Upon Application and Agreement evaluation by the County, staff will recommend approval or denial to the County Manager and prepare an agenda item for the next available Board of County Commissioners meeting where the TJIF incentive is considered for approval. The County Manager will recommend Application and Agreement approval or denial to the Board of County Commissioners. Per Miami-Dade County Ordinance No. 00-98 creating this program as amended by Ordinance No. 02-251, the Board of County Commissioners shall have no obligation to approve any Application and Agreement before it.
- 7.2 The Beacon Council staff and a Company representative (when requested) will attend the Board of County Commissioners meeting to be available to answer any questions related to the project and the TJIF.
- 7.3 If the Board of County Commissioners approves the Application and Agreement, the Company and the County Manager will execute said document(s). Pursuant to Florida Statutes, § 288.075 and § 288.1066, confidentiality will be protected for any information regarding a project's location and/or expansion evaluation of any site in the State of Florida. If confidentiality is requested, the Company name and identifying information shall be provided by the Company by the date indicated on the cover page of this Application and Agreement and shall be appended hereto. Upon said approval, as the applying Company you will be sent a letter by The Beacon Council stipulating the conditions of the approval.

**For more information please call Stephen Beatus, Associate Executive Vice President,  
The Beacon Council, at 305-579-1343.**

## **Section 8. Application and Agreement Instructions**

- 8.1 Please carefully review all Application and Agreement materials.
- 8.2 Contact The Beacon Council at the below address to discuss your project and application before submitting a formal proposal.
- 8.3 Any information or documentation that cannot be supplied in the provided space should be placed in a notebook or other presentation format. The material should be indexed, tabbed or labeled with the number of the relevant question from the Application and Agreement form.
- 8.4 The completed and signed Application and Agreement must be filed with:

The Beacon Council  
Attn: Stephen Beatus, Associate Executive Vice President  
Targeted Jobs Incentive Fund (TJIF)  
80 S.W. 8<sup>th</sup> Street, Suite 2400  
Miami, Florida 33130  
Phone: 305-579-1343  
Fax: 305-579-7580

- 8.5 **Important note:** This Application and Agreement must be filed prior to making the decision to locate a new business in Miami-Dade County or to expand an existing Miami-Dade County business. However, an applying Company that has initiated such a business decision may, upon request and Beacon Council recommendation, be considered by the County Manager for preserving inducement. If the County Manager authorizes preserving inducement the applying company maintains TJIF program eligibility.

## Section 9. Employer Identification

9.1

Please note: The following form may not provide enough space for required answers. Please attach a separate page with copy of records to the pre-qualification. Please include supporting documentation or explanation with responses where appropriate.

9.2

### TARGETED JOBS INCENTIVE FUND (TJIF)

- a) Name of TJIF Business: \_\_\_\_\_  
*Must be a business unit or reporting unit of a business that is registered with or will be registered with the Florida Department of Labor and Employment Security.*
- b) Mailing Address: \_\_\_\_\_  
 \_\_\_\_\_
- c) Primary Business contact -please include phone and fax numbers:  
 \_\_\_\_\_
- d) TJIF Business' federal employer identification number: \_\_\_\_\_
- e) TJIF Business' unemployment compensation identification number: \_\_\_\_\_
- f) TJIF Business' Florida sales tax registration number: \_\_\_\_\_
- g) List SIC codes of all activities of the TJIF business: 551114, 336413
- h) Describe the TJIF business' primary business activities: Aviation/Aerospace Manufacturing
- i) You may request that your project information (including the information contained in this application) be confidential per F.S. 288.075, Confidentiality of Records.  
 YES, we Request Confidentiality  
 NO, we do not Request Confidentiality

9.3

- a) Is the TJIF business 51% or more minority owned? \_\_\_\_\_ YES  NO
- b) If YES, please explain:
- c) Is the TJIF business certified as a Black Business Enterprise (BBE), Women Business Enterprise (WBE), Hispanic Business Enterprise (HBE), Community Small Business Enterprise (CSBE), Community Business Enterprise (CBE) and/or Disadvantaged Business Enterprise (DBE) pursuant to Miami-Dade County Code?  
 \_\_\_\_\_ YES  NO

9.4

- a) Has the TJIF business ever been subjected to criminal or civil fines and penalties?  
 \_\_\_\_\_ YES  NO
- b) If YES, please explain: \_\_\_\_\_  
 \_\_\_\_\_



## 10.5 Project employment and wages:

- a) Existing jobs in Miami-Dade County N/A
- b) Total number of new jobs projected to be created by the project at the business indicated in item 9.2.a): 410
- c) If new jobs are to be phased in, provide the date when each phase of employment will be fully implemented (please limit the job creation phases to three):

Phase	Total New Jobs	Date
I	199	12/31/2009
II	98	12/31/2010
III	26	12/31/2011
IV	87	12/31/2012

- d) Annualized average wage (not including benefits) of all the new combined jobs created by the project at the business indicated in item 9.2.b): \$57,000
- e) Annualized average value of benefits associated with each new job created by the project at the business unit: \$25,000
- f) Square footage: EXISTING: 0 NEW: 250,000

- 10.6 a) Anticipated commencement date of project: 10/31/2008 (hiring)
- b) Anticipated timeframe when the project will be completed: 12/31/2012

10.7 Amount of cash incentive award requested from Miami-Dade County \$1,056,200

## **Section 11. Project Impact Information**

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11.1 Miami-Dade County Ordinance 00-98 as amended by Ordinance 02-251 requires that Miami-Dade County review and evaluate the application based on the following issues. Therefore, thorough and concise responses to the items below are very important.

11.2 **Incentive Rationale:**

Provide a statement indicating why the incentive award is needed to further the project. What role will the incentive award play in the decision of the applicant to locate or expand in Miami-Dade County? Indicate whether or not there are other communities competing for this project, and if so, which communities, and what incentives are being offered by these communities. Also, specifically address the role the incentive will play in creating Miami-Dade County jobs. This statement should include an analysis of the impact of any incentive awards granted on the viability of the project and the probability that the project will occur in Miami-Dade County if such incentive awards are granted to the applicant, taking into account the expected long-term commitment of the applicant to economic growth and employment in Miami-Dade County.

Incentives are decisive to the location decision and are necessary to offset start up costs. Competitive locations include: US: Long Beach, California, North/South Carolina. United Arab Emirates, Croatia, and Indonesia.

11.3 **Project Impact:**

Provide a brief synopsis on the impacts the project is expected to stimulate in the community, the state or regional economy, focusing on economic conditions in the area, including the unemployment rate in the community where the project will be located.

Beyond the direct job creation and construction of new facility, the company will establish an Aerospace R&D and center of excellence that will bring vendors and related industry companies to the same location as an Industry cluster.

11.4 **Environmental and Growth Management:**

Submit a brief review of the applicant's past activities in Miami-Dade County, Florida and in other states, particularly as they relate to environmental and growth management impacts and how these have been handled. Have any criminal or civil fines or penalties been assessed? Have any awards been recommended or received? (Basically, what kind of corporate citizen has the applicant been?)

N/A

11.5 **Capital Investment:**

a) Describe the capital investment in real and personal property (examples: construction of new facility; remodeling of facility; upgrading, replacing or buying new equipment):  
Assembly of facility and purchase of equipment: \$55 M

b) List the amount and type (purchase of machinery/equipment, construction of buildings, etc.) of major capital investment to be made by the applicant in connection with this Miami-Dade County project:

Amount \$40M	Construction/Renovations
Amount \$15M	Manufacturing Equipment
Amount \$	Other Equipment

11.6 **Indicate other incentive programs the Company will be applying for:**

- |                                     |   |                                     |                            |
|-------------------------------------|---|-------------------------------------|----------------------------|
| <input checked="" type="checkbox"/> | Enterprise Zone Program                                       | <input type="checkbox"/>            | Property Tax Abatement     |
| <input type="checkbox"/>            | Refund of Impact Fees   | <input type="checkbox"/>            | Sales Tax Refunds          |
| <input type="checkbox"/>            | Jobs Tax Credit   | <input type="checkbox"/>            | Transportation "Road Fund" |
| <input checked="" type="checkbox"/> | Qualified Target Industry                                     | <input checked="" type="checkbox"/> | Quick Response Training    |
| <input checked="" type="checkbox"/> | Other <u>Brownfield Bonus Corporate Investment Tax Credit</u> |                                     |                            |

**Section 12. Please initial below indicating your agreement:**

- 12.1 \_\_\_\_\_ OSG that Miami-Dade County may review and verify the financial and personnel records of the Company and/or perform on site visits to verify employment relating to the New Jobs, review said financial and personnel records, and ascertain whether the Company is in project compliance;
- 12.2 \_\_\_\_\_ OSG that compliance with the terms and conditions of the approved application/agreement is a condition precedent for the receipt of any TJIF award in a fiscal year and that Company failure to comply with the terms and conditions of the approved application/agreement results in the loss of eligibility for receipt of TJIF awards and the revocation by the County Manager or the TJIF Committee of the certification of the Company as a TJIF business;
- 12.3 \_\_\_\_\_ OSG that the payment of TJIF awards are conditioned on and subject to specific annual appropriations by the Board sufficient to pay amounts under the approved application/agreement;
- 12.4 \_\_\_\_\_ OSG that Miami-Dade County shall be notified in writing of any development that impacts the implementation or operation of this Agreement or the project that this Agreement covers. Such developments will include, but not be limited to: commencement of and full implementation of the project; significant project delays; cancellation of the project; and all material changes of the project; and
- 12.5 \_\_\_\_\_ OSG that the Company will maintain personnel and financial records related to jobs, wages, and taxes paid which are the subject of this Agreement and submit summary reports of said records to Miami-Dade County as part of each annual claims-submission. The Company will retain said personnel and financial records for a period of three (3) years after payment of the last cash incentive award.

THIS INFORMATION TO BE COMPLETED BY THE BEACON COUNCIL

**Section 13. Projected New Revenue to Miami-Dade County**

List the amount and type of projected taxes this project will provide in the form of new revenue to Miami-Dade County:

Amount \$6,891,944.60 _____	Sales Taxes _____
Amount \$100,349 _____	Property Taxes _____
Amount \$ _____	Other Taxes _____ (List)

**Section 14. If Project will be locating or expanding in a targeted area**

X	Enterprise Zone
<input type="checkbox"/>	Unincorporated Miami-Dade County
<input type="checkbox"/>	City of Florida City
<input type="checkbox"/>	City of Hialeah
<input type="checkbox"/>	City of Homestead
<input type="checkbox"/>	City of Miami
<input type="checkbox"/>	City of Miami Gardens
<input type="checkbox"/>	City of North Miami
X	City of Opa-locka
<input type="checkbox"/>	City of Miami Beach
<input type="checkbox"/>	Perrine-Cutler Ridge
<input type="checkbox"/>	Satellite (Dolphin Stadium)
X	Empowerment Zone
<input type="checkbox"/>	Developable Site
<input type="checkbox"/>	Target Urban Area (TUA)
<input type="checkbox"/>	_____
<input type="checkbox"/>	Community Development Block Grant area
X	Brownfields

**Section 15. Application Confirmation**

- 15.1 Company Telephone Contact Number
- 15.2 Date Application Received
- 15.3 Date Application Completed/Finalized 6/12/08
- 15.4 Date Application presented to Miami-Dade County

## Section 16. Maximum Award and Agreement End Date

(To be completed by The Beacon Council and/or Miami-Dade County.)

16.1 \$1,056,200\_\_\_: The maximum amount of TJIF cash incentive awards which the Company is eligible to receive on the project.

16.2 Maximum Award in Fiscal Year

Maximum Amount

FY \_\_\_\_\_  
 FY \_\_\_\_\_

\$ \_\_\_\_\_  
 \$ \_\_\_\_\_  
 \$ \_\_\_\_\_  
 \$ \_\_\_\_\_  
 \$ \_\_\_\_\_  
 \$ \_\_\_\_\_  
 \$ \_\_\_\_\_  
 \$ \_\_\_\_\_  
 \$ \_\_\_\_\_  
 \$ \_\_\_\_\_

16.3 The term of this Agreement shall commence upon full execution of this Agreement and continue through \_\_\_\_\_, unless terminated earlier in accordance with the Code of Miami-Dade County, Chapter 2, Article LXXXVI, and as further modified by Ordinance No. 02-251, as may be amended.

## Section 17. Parties

The parties designate the following offices and addresses:

County:

Director, Office of Community and Economic Development  
 Miami-Dade County  
 701 N.W. 1st Court, 14th floor  
 Miami, FL 33136

Company:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

## **Section 18. Termination**

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- 18.1 This Agreement may be terminated by Miami-Dade County upon failure of the Company to comply with any material term or condition of this Agreement or a decision by the Company not to proceed with the project. A termination will result in the loss of eligibility for receipt of all cash incentive awards previously approved and scheduled, but not paid, as well as the revocation of the certification as a TJIF business. The foregoing notwithstanding, in the event that Miami-Dade County fails to pay the Company a cash incentive award to which the Company is eligible under Agreement as a result of insufficient County funds or for any reason whatsoever, the Company shall have the right to terminate this Agreement and shall be entitled to retain any cash incentive award or credits previously paid or awarded to the Company by Miami-Dade County under this Agreement. Compliance with the terms and conditions of the Agreement is a condition precedent for receipt of cash incentive awards each year. The failure to comply with the terms and conditions of this Agreement shall result in the loss of eligibility for receipt of all cash incentive awards previously authorized pursuant to this section, and the revocation of the certification as a qualified applicant by the County Manager.
- 18.2 This Agreement may be terminated by Miami-Dade County if it finds that the Company has provided false or misleading information in any part of this Application and Agreement or if the Company attempts to meet any of its obligations under this TJIF Program through fraud, misrepresentation or material misstatement. If Miami-Dade County terminates this Agreement for breach of this Section 18.2, the Company shall within 90 days refund to the County all cash incentives awards paid to the Company as a result of the false information.

## **Section 19. Legal Requirements**

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- 19.1 This Agreement is executed and entered into in the State of Florida, and will be construed, performed and enforced in all respects in accordance with the laws and rules of the State of Florida. Each party will perform its obligations in accordance with the terms and conditions of this Agreement. Any and all litigation arising under this Agreement shall be brought in the appropriate court in Miami-Dade County, Florida. If any term or provision of the Agreement is found to be illegal and unenforceable, the remainder of the Agreement will remain in full force and effect and such term or provision will be deemed stricken.

IN WITNESS WHEREOF the Parties have caused this Agreement to be executed by their duly authorized representatives on this \_\_\_\_\_ day of \_\_\_\_\_, 2\_\_\_\_\_.

ATTEST: (SEAL)

MIAMI-DADE COUNTY, FLORIDA

By: \_\_\_\_\_  
Print: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Print: \_\_\_\_\_  
Title: \_\_\_\_\_

Approved as to form and legal sufficiency:

By: \_\_\_\_\_  
Assistant County Attorney

State of Florida )  
County of Miami-Dade )

The foregoing instrument was acknowledged before me by \_\_\_\_\_  
County Manager, and \_\_\_\_\_, Deputy Clerk, respectively, on behalf of Miami-Dade  
County, Florida, this \_\_\_\_\_ day of \_\_\_\_\_.

Notary Public – State of Florida  
Print Name: \_\_\_\_\_  
Commission expires: \_\_\_\_\_

ATTEST: (SEAL)

Company name: \_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
Print: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Print: \_\_\_\_\_  
Title: \_\_\_\_\_

State of Florida )  
County of Miami-Dade )

The foregoing instrument was acknowledged before me by \_\_\_\_\_,  
(Title), on behalf of \_\_\_\_\_ (Company), this \_\_\_\_\_ day  
of \_\_\_\_\_.

Notary Public – State of Florida  
Print Name: \_\_\_\_\_  
Commission expires: \_\_\_\_\_

# REAL PROPERTY TAX BENEFITS

## Incentive Summary

08-00241  
5/16/2008

Prepared by:



**Jaap Donath, Ph.D.**  
**Vice President**  
**Department of Research & Strategic Planning**

## Summary

### PROJECT DETAILS

<b>Project Name:</b>	08-00241	<b>No. of Jobs:</b>	410
<b>Investment Amount:</b>	\$55,000,000	<b>Annual Avg. Salary:</b>	\$57,000
<b>Type of Investment:</b>	Real Property and Equipment	<b>Enterprise Zone:</b>	Yes

To maximize the possibility of retaining this firm, the Beacon Council will forward a Qualified Target Industry (QTI) incentive to the State of Florida and a local Target Job Incentive Fund (TJIF) proposal to Miami-Dade County.

The State of Florida has indicated that the company qualifies for a QTI. This program is funded by the State of Florida (80%) and Miami-Dade County (20%). Based on the project's capital investment, the QTI incentive breakdown is proposed as follows:

<b>Total QTI Tax Refund Proposal:</b>	<b>\$2,870,000</b>	<b>QTI Local Sales Taxes:</b>	<b>\$100,349</b>
<b>State of Florida Match (80%):</b>	<b>\$2,296,000</b>	<b>Local Property Taxes:</b>	<b>\$473,651</b>
<b>Miami-Dade County Match (20%):</b>	<b>\$574,000</b>		

The property tax revenue generated from this project's investment will benefit the Miami-Dade County Government, Miami-Dade County Schools, as well as the State of Florida and area special districts.

### THE BASIC ASSUMPTIONS

The latest Miami-Dade County mileage tax rates (2007) were used. This latest mileage rate was used for the entire seven-year period analysis.

To adjust for the likely reduction in mileage rates over the next six-years, the real property value was assumed to increase by 1.5% rather than the more typical 3%.

### CONCLUSIONS

Based on the investment of **\$55,000,000** by the project in new real property and equipment, their six-year investment tax revenue is projected as follows:

Total Project Tax Revenue:	<b>\$6,891,945</b>
Miami-Dade County's General Fund:	<b>\$1,699,834</b>
Miami-Dade County Public Schools:	<b>\$2,950,101</b>

The next biggest tax revenue would go to special districts, including fire rescue, library and MSA.

### RECOMMENDATION

Based on the project creating **\$1,630,200** in new property and local sales taxes for Miami-Dade County, The Beacon Council recommends that the following incentives be awarded to the project:

Total QTI Incentive (Local and State):	<b>\$2,870,000</b>
Total TJIF Incentive:	<b>\$1,056,200</b>
<b>Total Combined Incentive:</b>	<b><u>\$3,926,200</u></b>

**QTI-TJIF Combined Incentive Breakdown**

08-00241

**QTI- 7 Year Payout & TJIF 7-Year Payout**

<b>Miami-Dade County General Fund:</b>	<b>\$1,699,834</b>
<b>Total New Property Taxes</b> (County General Fund x 0.9):	<b>\$1,529,851</b>
<b>QTI Miami-Dade County Match (20%):</b>	<b>\$574,000</b>
<b>QTI Portion from Total Local Sales Taxes:</b>	<b>\$100,349</b>
<b>QTI Portion from Local Property Taxes:</b> Miami-Dade County QTI 20% Match minus QTI Total Local Sales Taxes	<b>\$473,651</b>
<b>Total New Property and Local Sales Taxes:</b> (Total New Prop. Taxes + QTI Portion from Total Local Sales Taxes)	<b>\$1,630,200</b>
<b>TJIF Local Incentive Amount:</b> (Total New Property & Local Sales Taxes minus QTI 20% County Match)	<b>\$1,056,200</b>
<b>Total Local QTI + TJIF Incentive Amount:</b>	<b>\$1,630,200</b>
<b>Net Revenue Benefit to Miami-Dade County</b> (General Fund):	<b>\$169,983</b>
<b>Total Return on Investment (ROI):</b>	<b>1.1</b>

<b>Total Incentive:</b>	<b><u>\$3,926,200</u></b>
(QTI 20% Local Match)	\$574,000
(QTI 80% State Match)	\$2,296,000
(TJIF 100% Local Match)	\$1,056,200

**10 YEAR PROJECTION**  
**2009 - 2015**  
**08-00241**

Year	Realty + Equipment \$55,000,000	Total 0.0185679	County General 0.0045796	County Debt 0.000285	School 0.007948	State 0.0006585	Other Districts 0.0050968	City 0.0000
2009	\$55,000,000.00	\$1,021,234.50	\$251,878.00	\$15,675.00	\$437,140.00	\$36,217.50	\$280,324.00	\$0.00
2010	\$54,100,000.00	\$1,004,523.39	\$247,756.36	\$15,418.50	\$429,986.80	\$35,624.85	\$275,736.88	\$0.00
2011	\$53,359,000.00	\$990,764.58	\$244,362.88	\$15,207.32	\$424,097.33	\$35,136.90	\$271,960.15	\$0.00
2012	\$52,762,135.00	\$979,682.05	\$241,629.47	\$15,037.21	\$419,353.45	\$34,743.87	\$268,918.05	\$0.00
2013	\$52,296,042.03	\$971,027.68	\$239,494.95	\$14,904.37	\$415,648.94	\$34,436.94	\$266,542.47	\$0.00
2014	\$51,948,710.16	\$964,578.46	\$237,904.31	\$14,805.38	\$412,888.35	\$34,208.23	\$264,772.19	\$0.00
2015	\$51,709,345.56	\$960,133.96	\$236,808.12	\$14,737.16	\$410,985.88	\$34,050.60	\$263,552.19	\$0.00
0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total 8 Year Tax Revenue \$6,891,944.60 \$1,699,834.10 \$105,784.94 \$2,950,100.75 \$244,418.89 \$1,891,805.93 \$0.00</b>								

Tax Revenue by Government Entity

2009 - 2015

08-00241

Year	Investment/Depreciation	Total	County General	County Debt	School	State	Other Districts	City
	\$15,000,000 0.9	0.0185679	0.0045796	0.000285	0.007948	0.0006585	0.0050968	0.0000
2009	\$15,000,000.00	\$278,518.50	\$68,694.00	\$4,275.00	\$119,220.00	\$9,877.50	\$76,452.00	\$0.00
2010	\$13,500,000.00	\$250,666.65	\$61,824.60	\$3,847.50	\$107,298.00	\$8,889.75	\$68,806.80	\$0.00
2011	\$12,150,000.00	\$225,599.99	\$55,642.14	\$3,462.75	\$96,568.20	\$8,000.78	\$61,926.12	\$0.00
2012	\$10,935,000.00	\$203,039.99	\$50,077.93	\$3,116.48	\$86,911.38	\$7,200.70	\$55,733.51	\$0.00
2013	\$9,841,500.00	\$182,735.99	\$45,070.13	\$2,804.83	\$78,220.24	\$6,480.63	\$50,160.16	\$0.00
2014	\$8,857,350.00	\$164,462.39	\$40,563.12	\$2,524.34	\$70,398.22	\$5,832.56	\$45,144.14	\$0.00
2015	\$7,971,615.00	\$148,016.15	\$36,506.81	\$2,271.91	\$63,358.40	\$5,249.31	\$40,629.73	\$0.00
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

**Total 8 Year Tax Revenue \$1,453,039.65 \$358,378.73 \$22,302.81 \$621,974.44 \$51,531.22 \$398,852.45 \$0.00**

Tax Revenue by Government Entity

2009 - 2015

08-00241

Year	Value of Real Property \$40,000,000 1.015	Total 0.0185679	County General 0.0045796	County Debt 0.000285	School 0.007948	State 0.0006585	Other Districts 0.0050968	City 0.0000
2009	\$40,000,000.00	\$742,716.00	\$183,184.00	\$11,400.00	\$317,920.00	\$26,340.00	\$203,872.00	\$0.00
2010	\$40,600,000.00	\$753,856.74	\$185,931.76	\$11,571.00	\$322,688.80	\$26,735.10	\$206,930.08	\$0.00
2011	\$41,209,000.00	\$765,164.59	\$188,720.74	\$11,744.57	\$327,529.13	\$27,136.13	\$210,034.03	\$0.00
2012	\$41,827,135.00	\$776,642.06	\$191,551.55	\$11,920.73	\$332,442.07	\$27,543.17	\$213,184.54	\$0.00
2013	\$42,454,542.03	\$788,291.69	\$194,424.82	\$12,099.54	\$337,428.70	\$27,956.32	\$216,382.31	\$0.00
2014	\$43,091,360.16	\$800,116.07	\$197,341.19	\$12,281.04	\$342,490.13	\$28,375.66	\$219,628.04	\$0.00
2015	\$43,737,730.56	\$812,117.81	\$200,301.31	\$12,465.25	\$347,627.48	\$28,801.30	\$222,922.47	\$0.00
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

**Total 7 Year Tax Revenue \$5,438,904.96 \$1,341,455.37 \$83,482.13 \$2,328,126.31 \$192,887.67 \$1,492,953.47 \$0.00**

**INCENTIVE PROPOSAL CHECKLIST**

**08-00241**

1. Enterprise Zone:	Yes
2. Total Number of New Jobs Projected	410
3. Average Salary per Job	\$57,000
4. New Capital Investment	\$55,000,000
5. New Square Footage	500,000
6. Per Job Incentive	\$7,000

**QUALIFIED TARGET INDUSTRY TAX REFUND (QTI) BASED  
UPON THE CREATION OF**

**410** New Jobs Over **4** Year(s)

**TOTAL QTI TAX REFUND**

1. State of Florida Portion (80%)	\$2,296,000
2. Miami-Dade County Match (20%)	\$574,000
Total QTI Tax Refund Proposal	\$2,870,000

**RETURN ON INCENTIVE INVESTMENT (ROI)**

1. Miami-Dade County Incremental Tax Revenue*	\$1,741,016
2. Total Miami-Dade County (20%) QTI Match	\$574,000
3. Miami-Dade County Net Revenue Benefit	\$1,167,016
Total ROI Gain/Loss/Breakeven	3.0

\* See Economic Impact Model

**SUMMARY OF ECONOMIC IMPACT**

**08-00241**

Totals represent what Miami-Dade County would potentially gain over a projected seven year period if the business expands in Miami- Dade County.

***Employment***

Direct Employment	410
Indirect Employment	328
<b>Total Employment Gain</b>	<b>738</b>

***Income from Wages***

Direct Employment	\$118,705,162
Indirect Employment	\$47,482,065
<b>Total Income Gain</b>	<b>\$166,187,227</b>

***Revenue to Miami-Dade County***

<b>Total Property Taxes</b>	<b>\$1,640,667</b>
<b>Total Local Sales Taxes</b>	<b>\$100,349</b>
<b>Total Tax Revenue Gain</b>	<b>\$1,741,016</b>
<b>Total Miami-Dade County (20%) QTI Match</b>	<b>\$574,000</b>
<b>Miami-Dade County Net Revenue Benefit</b>	<b>\$1,167,016</b>

THE BEACON COUNCIL ECONOMIC IMPACT MODEL

08-00241

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	TOTAL
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EMPLOYMENT

Total Direct Jobs	199	297	323	410	410	410	410	2,459
Indirect Employment	159	238	258	328	328	328	328	1,967
<b>TOTAL EMPLOYMENT</b>	<b>358</b>	<b>535</b>	<b>581</b>	<b>738</b>	<b>738</b>	<b>738</b>	<b>738</b>	<b>4,426</b>

INCOME (\$1,000)

<b>WAGES &amp; SALARY</b>								
Total Direct Wages	\$11,343.0	\$17,436.9	\$19,532.2	\$24,793.2	\$24,793.2	\$24,793.2	\$24,793.2	\$118,705.2
Total Indirect Wages	\$4,537.2	\$6,974.7	\$7,812.9	\$9,917.3	\$9,917.3	\$9,917.3	\$9,917.3	\$47,482.1
<b>TOTAL WAGES &amp; SALARIES</b>	<b>\$15,880.2</b>	<b>\$24,411.6</b>	<b>\$27,345.1</b>	<b>\$34,710.5</b>	<b>\$34,710.5</b>	<b>\$34,710.5</b>	<b>\$34,710.5</b>	<b>\$166,187.2</b>
<b>TOTAL INCOME</b>	<b>\$15,880.2</b>	<b>\$24,411.6</b>	<b>\$27,345.1</b>	<b>\$34,710.5</b>	<b>\$34,710.5</b>	<b>\$34,710.5</b>	<b>\$34,710.5</b>	<b>\$166,187.2</b>

INCREMENTAL PROPERTY TAXES (\$1,000)

Building & Equipment Taxes								
<b>TOTAL PROPERTY TAXES</b>	<b>\$1,021.2</b>	<b>\$993.4</b>	<b>\$968.3</b>	<b>\$945.8</b>	<b>\$925.5</b>	<b>\$907.2</b>	<b>\$890.7</b>	<b>\$6,652.1</b>
MIAMI-DADE PROPERTY TAXES	\$251.9	\$245.0	\$238.8	\$233.3	\$228.3	\$223.7	\$219.7	\$1,640.7

SALES TAXES (\$1,000)

Available Income	\$15,880.2	\$24,411.6	\$27,345.1	\$34,710.5	\$34,710.5	\$34,710.5	\$34,710.5	\$206,479.0
Less Federal Income Tax	\$12,704.2	\$19,529.3	\$21,876.1	\$27,768.4	\$27,768.4	\$27,768.4	\$27,768.4	\$165,183.2
Less Hous. Ins, Prop Tax	\$8,528.1	\$14,647.0	\$16,407.1	\$20,826.3	\$20,826.3	\$20,826.3	\$20,826.3	\$123,887.4
Less Savings, Life Insur.	\$8,575.3	\$13,182.3	\$14,766.4	\$18,743.7	\$18,743.7	\$18,743.7	\$18,743.7	\$111,498.7
Less Food, Drugs, Other Non-Tax	\$6,431.5	\$9,886.7	\$11,074.8	\$14,057.8	\$14,057.8	\$14,057.8	\$14,057.8	\$83,624.0
<b>Avail. Income For Sales Tax</b>	<b>\$6,431.5</b>	<b>\$9,886.7</b>	<b>\$11,074.8</b>	<b>\$14,057.8</b>	<b>\$14,057.8</b>	<b>\$14,057.8</b>	<b>\$14,057.8</b>	<b>\$83,624.0</b>
State Sales Tax Realized	\$385.9	\$593.2	\$664.5	\$843.5	\$843.5	\$843.5	\$843.5	\$5,017.4
Local Sales Tax Realized	\$7.7	\$11.9	\$13.3	\$16.9	\$16.9	\$16.9	\$16.9	\$100.3

**TOTAL**  
SALES TAXES (\$1,000)

<b>TOTAL</b>	<b>\$393.6</b>	<b>\$605.1</b>	<b>\$677.8</b>	<b>\$860.3</b>	<b>\$860.3</b>	<b>\$860.3</b>	<b>\$860.3</b>	<b>\$5,117.8</b>
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THE BEACON COUNCIL ECONOMIC IMPACT MODEL

08-00241

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	TOTAL
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TOTAL MIAMI-DADE  
PROPERTY &  
SALES TAXES (\$1,000)

\$259.6    \$256.9    \$252.1    \$250.1    \$245.1    \$240.6    \$236.6    \$0.0    \$1,741.0

TOTAL  
PROPERTY &  
SALES TAXES (\$1,000)

\$1,414.8    \$1,598.4    \$1,646.1    \$1,806.1    \$1,785.8    \$1,767.5    \$1,751.1    \$0.0    \$11,769.8

45

THE BEACON COUNCIL ECONOMIC IMPACT MODEL - ASSUMPTIONS

08-00241

**Employment Assumptions**

*New Direct Permanent Jobs*

Year 1	199
Year 2	297
Year 3	323
Year 4	410
Year 5	410
Year 6	410
Year 7	410

*Incremental Multiplier* 0.80  
 \* For every 100 direct jobs, 80 indirect jobs will be created. Total multiplier effect is 1.80.

**Annual Income Assumptions**

Yearly Salary, Direct Permanent Job	\$57,000
Indirect Job Salary	\$28,500

**Capital Investment**

**Total Cap. Inv.**

Y1 Value	\$55,000,000
Y2 Value	\$53,500,000
Y3 Value	\$52,150,000
Y4 Value	\$50,935,000
Y5 Value	\$49,841,500
Y6 Value	\$48,857,350
Y7 Value	\$47,971,615

**Inflation** 103%

**Property/Real Estate Taxes**

Mill Rate, Less Dade's Revenue	0.01399
Miami-Dade's Revenue Mill Rate	0.00458
Miami-Dade's Total Mill Rate	0.01857

Assessment Value of Real Property 90%

**Sales Tax Rates**

**Calculation: Income Available For Sales Tax**

**Income Devoted to:**

Federal Income Tax Liability, 20%	0.80
Housing, Insurance, Real Estate Taxes, 25%	0.75
Savings, Life Insurance, 10%	0.90
Food, Drugs, Other Non-Tax Items, 25 %	0.75

**Sales Tax Rates**

Florida Sales Tax	6.00%
Miami-Dade County Sales Tax	0.12%
Total Sales Tax	6.12%

	<b>Realty Prop.</b>	<b>Equip.</b>
Y1	\$40,000,000	\$15,000,000
Y2	\$40,000,000	\$13,500,000
Y3	\$40,000,000	\$12,150,000
Y4	\$40,000,000	\$10,935,000
Y5	\$40,000,000	\$9,841,500
Y6	\$40,000,000	\$8,857,350
Y7	\$40,000,000	\$7,971,615