Memorandum

MIAMI-DADE COUNTY

Date: July 21, 2009

To: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

Agenda Item No. 14(A)(53)

From: George M. Burgess
County Manager

Subject: Resolution Approving Qualified Target Industry Tax Refund for Confidential Project #05-00315

Recommendation

It is recommended that the Board of County Commissioners (BCC) approve the attached resolution authorizing Confidential Project #05-00315 to be approved as a Qualified Target Industry (QTI) business. The attached documents relating to the support for a QTI tax refund, under the State of Florida QTI tax refund program pursuant to Florida Statutes Section 288.106, have been prepared by The Beacon Council and reviewed by the Office of Economic Development Coordination.

The job creation and disbursement dates are subject to change upon the approval of the County Mayor or the County Mayor's designee.

Scope

The additional jobs as a result of the expansion will primarily impact Commission District 1, but also have a positive countywide impact through economic multiplier effects.

Fiscal Impact / Funding Source

Confidential Project #05-00315 has applied for a total of $369,000 in QTI funds, of which 80 percent would be provided by the State of Florida. If the accompanying resolution is approved by the BCC, the County is committed to provide an award of no greater than $73,800 (or $600 per new job) in matching funds towards the total QTI incentive from general fund revenues over a six-year period ($12,300 per year or $100 per new job).

Track Record/Monitor

This is an already established business in Miami-Dade County. This business is seeking to expand its Miami-Dade manufacturing facility and national headquarters to 86,000 square feet.

QTI funds awarded for job creation are provided on a matching basis upon the State of Florida invoicing the County for jobs created and verified by the State. The State effectively monitors the creation of the QTI jobs and provides such information to the County. The County's matching funds are distributed only if the applicant complies with the commitment to create the number of new jobs indicated in the accompanying QTI application (*Attachment to the General Project Overview*) and all other conditions of this incentive program. QTI incentive payments are contingent upon the company meeting its target of additional jobs. In the event the company is unable to attain the employment targets specified in the application, then they may be entitled to receive a prorated amount of incentive payments for the additional employment positions they were able to achieve.

Economic Impact Overview

Confidential Project #05-00315 is an existing manufacturing company in Miami-Dade County (NAICS Code # 332994, small arms manufacturing). This business is seeking to expand its manufacturing/distribution capacity and its national headquarters within Miami-Dade County. However, other locations under consideration are in Alabama, Georgia, South Carolina, and Brevard County, FL.

The company currently employs 135 workers at its Miami-Dade County facilities paying an average annual salary of $50,000, according to documents submitted by The Beacon Council. The company's expansion plans include an investment of $7,800,000, of which $4,000,000 is allocated to construction of facilities, $2,950,000 to manufacturing equipment, and $700,000 to other equipment. Through this expansion plan, the company is committed to increasing its workforce by 123 full time positions by the end of 2012. Although the average salary at its Miami-Dade facilities is currently $50,000, the additional employment positions the company will need as a result of its planned expansion generally require less labor skills and, therefore, the projected average annual salary for these positions is $32,000.[1] The company states, however, that it will provide employee benefits of $13,000 per new job per year.

The Beacon Council projects that the $7.8 million in direct investment by the company and the local economic impact from operations will generate nearly $205,700 in general fund revenues to Miami-Dade County over the six years the company is eligible for QTI cash incentives, potentially returning $2.80 per dollar of County funded QTI award.

Cynthia W. Curry
Senior Advisor to the County Manager

Attachments

[1] Although these wages are not high, they are still above the County's Living Wage ($23,525 per year with health insurance benefits and $26,936 per year with health benefits).

PROJECT 05-00315 SUMMARY SHEET	
APPLICANT:	Confidential Project #05-00315
HEADQUARTERS LOCATION:	Miami-Dade County
PROPOSED LOCATION IN MIAMI-DADE COUNTY:	N/A
OTHER LOCATIONS UNDER CONSIDERATION:	Georgia, Alabama, S. Carolina and Brevard County
DATE OF QTI APPLICATION:	May 15, 2009
OVERALL BUSINESS ACTIVITY/MISSION:	Purchase new manufacturing/distribution equipment, increase operations and expand its facility to 86,000 square feet.
PROPOSED LOCAL BUSINESS ACTIVITY:	Manufacturing and Distribution
PROPOSED CAPITAL INVESTMENT:	$7,800,000
TARGETED QTI INDUSTRY:	Headquarters/Manufacturing
PROPOSED LOCATION IN DESIGNATED PRIORITY AREA:	No
NEW BUSINESS OR EXPANDING BUSINESS:	Expanding
TOTAL NUMBER OF DIRECT JOBS TO BE CREATED/RETAINED:	123 / 135
EFFORT IN HIRING RESIDENTS IN LOCAL AREA:	Miami-Dade County
ESTIMATED ANNUALIZED AVERAGE WAGES FOR NEW JOBS:	$32,000
ANNUAL EMPLOYEE BENEFIT PACKAGE:	$13,000
NUMBER OF INDIRECT JOBS TO BE CREATED:	50
NUMBER OF YEARS TO CREATE NEW JOBS:	3
MAXIMUM TAX REFUND PER JOB:	$3,000 spread over 6 years
MAXIMUM INCENTIVE AWARD APPLIED FOR:	$369,000
PROJECTED INCREMENTAL COUNTY TAX REVENUE:	$205,669
COUNTY'S MAXIMUM 20% AWARD ON PROJECT:	$73,800
STATE'S 80% MAXIMUM CONTRIBUTION:	$295,200
TYPE OF FUNDS REQUESTED IN APPLICATION:	General Revenue Funds
COMMENTS:	Information for this summary sheet was provided by The Beacon Council

MEMORANDUM

(Revised)

TO: Honorable Chairman Dennis C. Moss and Members, Board of County Commissioners

DATE: July 21, 2009

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

SUBJECT: Agenda Item No. 14(A)(53)

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 Mayor'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. 14(A)(53)
7-21-09

RESOLUTION NO. _____

RESOLUTION APPROVING CONFIDENTIAL PROJECT NO. 05-00315 AS A QUALIFIED TARGET INDUSTRY BUSINESS PURSUANT TO FLORIDA STATUTES S-288.106, CONFIRMING THE COMMITMENTS OF LOCAL FINANCIAL SUPPORT NECESSARY FOR CONFIDENTIAL PROJECT NO. 05-00315 EXIST; AND PROVIDING AN APPROPRIATION OF UP TO $73,800 FROM GENERAL REVENUE FUNDS AS LOCAL PARTICIPATION IN THE STATE OF FLORIDA QUALIFIED TARGET INDUSTRY TAX REFUND PROGRAM FOR FISCAL YEARS 2012 THROUGH 2017, INCLUSIVE, OR OVER A TIME PERIOD AS DETERMINED BY THE STATE OF FLORIDA IN ITS APPROVAL OF CONFIDENTIAL PROJECT NO. 05-00315 APPLICATION WITH THE PROVISION THAT ANY TAX ABATEMENT GRANTED TO CONFIDENTIAL PROJECT NO. 05-00315 UNDER FLORIDA STATUTE 196.1995 REDUCES ANY QUALIFIED TARGET INDUSTRY TAX REFUND TO CONFIDENTIAL PROJECT NO. 05-00315; AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO MAKE NON-SUBSTANTIVE MODIFICATIONS AND EXECUTE ALL CONTRACTS, AGREEMENTS, AND AMENDMENTS BY THE AMOUNT OF ANY SUCH TAX ABATEMENT GRANTED, IN COMPLIANCE WITH FLORIDA STATUTE 288.106(5)9; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, the Qualified Targeted Industry Tax Refund Confidential Project #05-00315 report, and the QTI General Project Overview application, copies of which are incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board hereby finds that attracting, retaining and providing favorable conditions for the growth of target industries provide quality employment opportunities for residents of the County and enhance the County's economic foundations and recommends that Confidential Project No. 05-00315 be approved as

a qualified target industry business pursuant to Florida Statute 288.16, which created the Qualified Target Industry Tax Refund Program.

The necessary commitment of local financial support for Confidential Project No. 05-00315, as required under Florida Statute 288.106, exists in an amount not to exceed $73,800 from General Revenue Funds; and that this local financial support will be available in the following increments:

Fiscal Year 2012	$12,300
Fiscal Year 2013	$12,300
Fiscal Year 2014	$12,300
Fiscal Year 2015	$12,300
Fiscal Year 2016	$12,300
Fiscal Year 2017	$12,300
TOTAL	$73,800

Or payable over a time period and at annual amounts as determined by the State of Florida in its approval of Confidential Project No. 05-00315 application, as long as the $73,800 is not exceeded with the provision that any tax abatement granted to Confidential Project No. 05-00315, under Florida Statute 196.1995, reduces any QTI tax refund by the amount of any such abatement granted, in compliance with Florida Statute 288.106(5)(c) and will be paid to the Florida Economic Development Trust Fund with the stipulation that these funds are intended to represent the "local financial support" required by Florida Statute 288.106 for Confidential Project No. 05-00315 in compliance with the QTI Program, including the requirement that at least ten (10) jobs be created.

The necessary commitment of local financial support shall be contingent on Confidential Project No. 05-00315 maintaining the jobs during the life of the incentive and ensuring that its hiring practices are consistent with and reflect the diversity of the Miami-Dade County community.

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:

Dennis C. Moss, Chairman
Jose "Pepe" Diaz, Vice-Chairman

Bruno A. Barreiro	Audrey M. Edmonson
Carlos A. Gimenez	Sally A. Heyman
Barbara J. Jordan	Joe A. Martinez
Dorrin D. Rolle	Natacha Seijas
Katy Sorenson	Rebeca Sosa
Sen. Javier D. Souto	

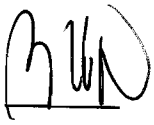
The Chairperson thereupon declared the resolution duly passed and adopted this 21st day of July, 2009. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

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

HARVEY RUVIN, CLERK

By:_____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.



Brenda Kuhns Neuman

Qualified Targeted Industry Tax Refund (QTI)

Confidential Project #: 05-00315

Prepared by The Beacon Council
May 2009

Executive Summary

Confidential Project 05-00315 is a local manufacturer that is expanding in The City of Miami Gardens. The company currently has 135 employees with an existing annual average salary or $73,839. Much of their manufacturing operations are currently located in South America with management, repairs, and some manufacturing located at their facility in The City of Miami Gardens.

Confidential Project 05-00315 will be greatly increasing their manufacturing operation in the US with the creation of 123 new jobs by 2012 and new capital investment of $7,800,000 for the purchase of new equipment and the construction/renovation of a facility. The Company plans to occupy approximately 86,000 square feet after expansion. The anticipated annual average salary of the new manufacturing jobs is $32,000. The anticipated annual average wage for all employees (existing/new) will be over $50,000.

Confidential Project 05-00315 is evaluating alternate locations for their US operations in Georgia, as well as Alabama, South Carolina and Brevard County, Florida. The retention and expansion of this company in Miami-Dade County will retain 135 existing jobs and create 123 new jobs for a total of 258 jobs.

The Beacon Council, along with Enterprise Florida, is pursuing a Qualified Targeted Industry Tax Refund (QTI) to induce Confidential Project 05-00315 to remain and grow in Miami-Dade County. The Beacon Council is recommending a total award of $3,000 per new job created or $369,000 (123 new jobs x $3,000). Miami-Dade County's 20% QTI match totals $73,800. The State of Florida's 80 % match totals $292,200.

The State of Florida is in the process of finalizing approval to provide 80% of the Qualified Targeted Industry Tax Refund for Confidential Project 05-00315.

This is a performance-based incentive. 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

Project Name	05-00315
New Jobs	123
Average Salary of New Jobs	$32,000*
New Capital Investment	$7,800,000
Total Square Footage	86,000

QUALIFIED TARGETED INDUSTRY TAX REFUND (QTI)

State of Florida Amount (80%)	$295,200
Miami-Dade County Match (20%)	$73,800
Total QTI Amount	$369,000

RETURN ON INCENTIVE INVESTMENTS (ROII)

Miami-Dade Incremental Tax Revenue	$205,669
Miami-Dade County QTI Match	$73,800
Net Revenue Benefit to Miami-Dade	$131,869
Total ROII	2.8

* The anticipated annual average wage for all employees (existing/new) will be over $50,000.

INCENTIVE PROPOSAL CHECKLIST

Project: 05-00315

1. Enterprise Zone:	no
2. Total Number of New Jobs Projected	123
3. Average Salary per Job	$32,000
4. New Capital Investment	$7,800,000
5. New Square Footage	86,000
6. Per Job Incentive	$3,000

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

123 New Jobs Over 3 Year(s)

TOTAL QTI TAX REFUND

1. State of Florida Portion (80%)	$295,200
2. Miami-Dade County Match (20%)	$73,800
Total QTI Tax Refund Proposal	$369,000

RETURN ON INCENTIVE INVESTMENT (ROII)

1. Miami-Dade County Incremental Tax Revenue*	$205,669
2. Total Miami-Dade County (20%) QTI Match	$73,800
3. Miami-Dade County Net Revenue Benefit	$131,869
Total ROII Gain/Loss/Breakeven	2.8

* See Economic Impact Model

SUMMARY OF ECONOMIC IMPACT

Project: 05-00315

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

Employment	
Direct Employment	123
Indirect Employment	62
Total Employment Gain	**185**
Income from Wages	
Direct Employment	$23,403,290
Indirect Employment	$5,850,822
Total Income Gain	**$29,254,112**
Revenue to Miami-Dade County	
Total Property Taxes	**$191,451**
Total Local Sales Taxes	**$14,217**
Total Tax Revenue Gain	**$205,669**
Total Miami-Dade County (20%) QTI Match	**$73,800**
Miami-Dade County Net Revenue Benefit	**$131,869**

THE BEACON COUNCIL ECONOMIC IMPACT MODEL

Project: 05-00315

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	TOTAL
EMPLOYMENT							
Total Direct Jobs	93	113	123	123	123	123	
Indirect Employment	47	57	62	62	62	62	
TOTAL EMPLOYMENT	140	170	185	185	185	185	
INCOME ($1,000)							
WAGES & SALARY							
Total Direct Wages	$2,976.0	$3,724.5	$4,175.7	$4,175.7	$4,175.7	$4,175.7	$23,403.3
Total Indirect Wages	$744.0	$931.1	$1,043.9	$1,043.9	$1,043.9	$1,043.9	$5,850.8
TOTAL WAGES & SALARIES	$3,720.0	$4,655.6	$5,219.6	$5,219.6	$5,219.6	$5,219.6	$29,254.1
TOTAL INCOME	$3,720.0	$4,655.6	$5,219.6	$5,219.6	$5,219.6	$5,219.6	$29,254.1
INCREMENTAL PROPERTY TAXES ($1,000)							
Building & Equipment Taxes							
TOTAL PROPERTY TAXES	$144.8	$137.8	$131.4	$125.7	$120.6	$115.9	$776.2
MIAMI-DADE PROPERTY TAXES	$35.7	$34.0	$32.4	$31.0	$29.7	$28.6	$191.5
SALES TAXES ($1,000)							
Available Income	$3,720.0	$4,655.6	$5,219.6	$5,219.6	$5,219.6	$5,219.6	$29,254.1
Less Federal Income Tax	$2,976.0	$3,724.5	$4,175.7	$4,175.7	$4,175.7	$4,175.7	$23,403.3
Less Hous, Ins, Prop Tax	$2,232.0	$2,793.4	$3,131.8	$3,131.8	$3,131.8	$3,131.8	$17,552.5
Less Savings, Life Insur.	$2,008.8	$2,514.0	$2,818.6	$2,818.6	$2,818.6	$2,818.6	$15,797.2
Less Food, Drugs, Other Non-Tax	$1,506.6	$1,885.5	$2,113.9	$2,113.9	$2,113.9	$2,113.9	$11,847.9
Avail. Income For Sales Tax	$1,506.6	$1,885.5	$2,113.9	$2,113.9	$2,113.9	$2,113.9	$11,847.9
State Sales Tax Realized	$90.4	$113.1	$126.8	$126.8	$126.8	$126.8	$710.9
Local Sales Tax Realized	$1.8	$2.3	$2.5	$2.5	$2.5	$2.5	$14.2
TOTAL SALES TAXES ($1,000)	$92.2	$115.4	$129.4	$129.4	$129.4	$129.4	$725.1
TOTAL MIAMI-DADE PROPERTY & SALES TAXES ($1,000)	$37.5	$36.2	$35.0	$33.5	$32.3	$31.1	$205.7
TOTAL PROPERTY & SALES TAXES ($1,000)	$237.0	$253.2	$260.8	$255.1	$249.9	$245.3	$1,501.3

THE BEACON COUNCIL ECONOMIC IMPACT MODEL - ASSUMPTIONS

Project: 05-00315

Employment Assumptions

New Direct Permanent Jobs

Year 1	93
Year 2	113
Year 3	123
Year 4	123
Year 5	123
Year 6	123

Incremental Multiplier 0.50

* For every 100 direct jobs, 50 indirect jobs will be created. Total multiplier effect is 1.50

Annual Income Assumptions

Yearly Salary, Direct Permanent Job	$32,000
Indirect Job Salary	$16,000
Inflation	103%

Capital Investment

	Total Cap. Inv.
Y1 Value	$7,800,000
Y2 Value	$7,420,000
Y3 Value	$7,078,000
Y4 Value	$6,770,200
Y5 Value	$6,493,180
Y6 Value	$6,243,862

	Realty Prop.	Equip.
Y1	$4,000,000	$3,800,000
Y2	$4,000,000	$3,420,000
Y3	$4,000,000	$3,078,000
Y4	$4,000,000	$2,770,200
Y5	$4,000,000	$2,493,180
Y6	$4,000,000	$2,243,862

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%

GENERAL PROJECT OVERVIEW

_____
Name of Business

05-00315
_____
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
Phone: 850.298.6620 • Fax: 850.298.6659
http://www.eflorida.com/

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:** _____

D. **Primary Business Unit Contact:** _____

Title: _____

Mailing Address: _____
Street Address

Miami FL
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[1]:**

☐ New business unit to Florida

☒ Existing Florida business creating and / or retaining jobs[2,3]

135 If an expansion, how many jobs are currently in the expanding business unit?

B. **How many individuals are employed at all Florida locations?** 135

C. **Are any jobs being transferred from other Florida locations[4]?**

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)?

_____

[1] 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.
[2] A QTI Tax Refund award cannot be granted for existing Florida jobs.
[3] 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.
[4] 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:**
Expansion of manufacturing / distribution plant

E. **What is the project's Targeted Industry(ies)[5]:** HQ / manufacturing

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

Business Unit Activities	NAICS Code	Project Function (total = 100%)	Annualized Wage ($)
Manufacturing/Distribution	33299	100%	$73,839
		%	$
		%	$

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

Street Address

Miami FL

City *State* *Zip Code*

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

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?
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):
97% Explain, if necessary:

3. JOB AND WAGE OVERVIEW

A. **How many jobs[6] are expected to be created as part of this project?** 123

[5] Refer to the QTI Target Industry list.
[6] 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 QTI) 135

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.) $32,000*

*Anticipated annual average wage of all employees

D. **What is the annualized average value of benefits associated with each new job created as part of this project?** $50,000

E. **What benefits are included in this value?** (health insurance, 401(k) contributions, vacation and sick leave, etc.) $13,000

Health insurance/ dental insurance/ life ins/401K plan match/Vacation/ Sick/personal time/paid holidays

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):

Addition & renovations to existing building / purchase of equipment

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	$4,000,000	$	$
Manufacturing Equipment	$2,100,000	$600,000	$250,000
R&D Equipment	$150,000	$	$
Other Equipment (computer equipment, office furniture, etc.)	$200,000	$250,000	$250,000
Total Capital Investment	**$6,450,000**	**$850,000**	**$500,000**

D. **What is the estimated square footage of the new or expanded facility?** 86,000

E. **When is the final location decision anticipated** (date)? 2009

F. **What is the anticipated date construction will begin?** 2009

G. **What is the anticipated date operations will commence?** Currently operational

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.

5. COMPETITIVE LANDSCAPE

A. What role will the incentive(s) play in the business unit's decision to locate, expand, or remain in Florida?

The incentives will be the deciding factor in our business decision to expand and remain in Florida. If we do not receive somewhat competitive offers to stay in Florida in comparison with the other State's offers we will seriously consider leaving Florida to take advantage the offers we have been told about in other locales. To date we have not been offered the possiblity for the receipt of funds that would assist and enable us to consider staying here. The rosy offers from Brevard County in Florida and the State of Georgia are very promising.

B. What other cities, states, or countries are being considered for this project?

Georgia is the most promise laden as well as the states of Alabama and South Carolina. Brevard County in Florida has been actively pursuing us to move there with many offers of assistance.

C. What advantages or incentives offered by these locations do you consider important in your decision?

The following are a list of advantages-incentives from the other area:

- Assistance with property acquisition – some areas are free
- Assistance with buildings
- Assistance with rapid approval of permits
- Assistance with financing, including offers of bond issues
- Assistance with relocation expenses for employees
- Assistance with housing for those who are moving with the company
- Assistance with tax incentives
- Assistance with work in progress taxes and inventory intangible taxes
- Assistance with electrical power
- Assistance with water requirements
- Assistance with technical problems
- Assistance with community approvals
- Assistance with employee training using equipment that we use in the plant
- Assistance with ingress and egress roads to and from the plant location
- Assistance with finding new employees
- Assistance in the form of local government acceptance of our employee base
- Assistance in long range tax abatements
- Assistance in Property tax abatements

D. Indicate any additional internal or external competitive issues impacting this project's location decision?

In general we do not feel wanted or needed in the local community. The Florida competition from other states is overwhelmingly positive. From the Governor on down the line in Georgia is almost remarkable. He has personally reached out to us to "Come Home to Georgia." We have a feeling that long term we would be better off moving. The attitude that has been expressed by Miami Dade County and the State of Florida, would rank them in the low position of attractiveness.

6. ECONOMIC IMPACT AND CORPORATE RESPONSIBILITY

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.

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.
The possible hiring of over 123 people in the coming years will certainly help stimulate the local economy. Most of our workers are in close proximity to our manufacturing facility and Hialeah, Florida, is certainly a community that needs active employers. The new jobs will have a positive impact in this down economy we are experiencing and the level of the employment opportunities will help raise the per capita income here.

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.
Our company has been widely accepted and credited with numerous awards and recognition.

• In addition we have been a major sponsor of the South Florida Council Boy Scouts of America.

• We were considered as a finalist for the Manufacturer of the Year Award by the South Florida Manufacturer's Association.

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.**
There are no activities of this kind in our recorded history.

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.**
If we were to remain in this area we would make that decision for a long term commitment. We would continue to bring International Fame to the community and continue our impeccable record of being a First Class Business Citizen in this developing area.

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)

☒ Yes
☐ No

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

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.

8. SIGNATURES

Application Completed By:

Signature

Name

Title

Company

Address, if different than mailing address

Phone Number

Fax Number

Email Address

Date

Name of contact person, if different than above

Phone Number

Address

Email Address

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

Signature (Authorized Company Officer) REQUIRED

Name

Title

Company

Address, if different than mailing address

Phone Number

Fax Number

Email Address

Date

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.

05-00315

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[1] 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[2]? 123

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	93	12/31/10
II	20	12/31/11
III	10	12/31/12
Total	123	

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 _____.

☐ $_____, which is at least 150% of the average wage in _____.

☐ $_____, 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[3]:
Miami-Dade County

B. Indicate the date(s) the QTI support resolution(s) is / are anticipated to be passed by the local government:
June/ July 2009

[1] 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.
[2] Must be a minimum of 10 new jobs and a 10 percent increase in current business unit employment (if an existing Florida business).
[3] 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) — Date

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 31st each year for the number of jobs on December 31st 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.*