Memorandum

MIAMI-DADE COUNTY

Date: January 21, 2010

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

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

From: George M. Burgess
County Manager

Subject: Resolution Approving Qualified Target Industry Tax Refund for Confidential Project #10-00053

Recommendation

It is recommended that the Board of County Commissioners approve the attached resolution authorizing Confidential Project #10-00053 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 Economic Development Coordination Division of Planning and Zoning. 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 local firm applying for a QTI incentive is expanding operations possibly in Miami-Dade, but also considering consolidating both its Florida and Massachusetts operations in Massachusetts. The economic impact of this decision will primarily affect Commission District 12, but is also likely to have a countywide impact through economic multiplier effects.

Fiscal Impact / Funding Source

Confidential Project #10-00053 has applied for a total of $162,500 in QTI funds, of which 80 percent would be provided by the State of Florida. If the accompanying resolution is approved by the Board, the County is committed to provide an award of no greater than $32,500 (or $260 per new job) in matching funds towards the total QTI incentive from general fund revenues over a six year period ($5,416.67 per year or $43.33 per new job per year).

Track Record/Monitor

The applicant for the QTI incentive is engaged in the sales and marketing of energy commodities. The expanded operations of this company will focus on regional headquarter operations (NAICS code #551114) and business service/call center operations (NAICS code #5614). This business is seeking to expand its current operations occupying 40,000 square feet of renovated commercial space at the new facility.

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, they may then 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 #08-00053 is an existing local firm that sells and markets energy projects. The business is seeking to consolidate its Florida and Massachusetts operations in one location. The company plans to increase its headquarters and business service operations, and is considering its present location in the City of Doral or its newly acquired facility in Massachusetts. The Massachusetts location offers the availability of existing building space and real estate and associated cost savings, according to the applicant.

The company currently has 130 employees in Miami-Dade County, and plans to expand employment by an additional 125 full-time positions by December 31, 2012 at a renovated facility. According to the QTI application, the schedule of job creation provides 75 additional jobs by December 31, 2010; 25 additional jobs by December 31, 2011; and 25 additional jobs by December 31, 2012. The applicant states that these new jobs will have an average annualized salary of $45,000 with an additional $6,500 of employer provided benefits, including health insurance, 401K retirement benefits, paid vacation and sick leave, and other miscellaneous insurance. The Beacon Council estimates that another 50 jobs would be generated through economic multiplier effects.

The applicant plans to invest $800,000 in new capital equipment and renovations to an existing 40,000 square foot facility. The Beacon Council projects that the direct investment by the company and the local economic impact from expanded operations will generate $38,635 in additional general fund revenues to Miami-Dade County from property taxes ($20,042) and from the local share of general sales taxes ($18,593) over six years.

Cynthia W. Curry
Senior Advisor to the County Manager

Attachment

PROJECT 08-00053 SUMMARY SHEET	
APPLICANT:	Confidential Project #10-00053
HEADQUARTERS LOCATION:	Miami-Dade County
PROPOSED LOCATION IN MIAMI-DADE COUNTY:	District 12
OTHER LOCATIONS UNDER CONSIDERATION:	Massachusetts
DATE OF QTI APPLICATION:	September 22, 2009
OVERALL BUSINESS ACTIVITY/MISSION:	To expand current operations and renovate an existing 40,000 square foot headquarters and sales/marketing facility.
PROPOSED LOCAL BUSINESS ACTIVITY:	Energy commodities sales and marketing, and corporate headquarters.
PROPOSED CAPITAL INVESTMENT:	$800,000
TARGETED QTI INDUSTRY:	Clean energy/headquarters/bus. svs. and call center
PROPOSED LOCATION IN DESIGNATED PRIORITY AREA:	No
NEW BUSINESS OR EXPANDING BUSINESS:	Expanding
TOTAL NUMBER OF DIRECT JOBS TO BE CREATED/RETAINED:	125 / 130
EFFORT IN HIRING RESIDENTS IN LOCAL AREA:	Miami-Dade County
ESTIMATED ANNUALIZED AVERAGE WAGES FOR NEW JOBS:	$45,000
ANNUAL EMPLOYEE BENEFIT PACKAGE:	$6,500
NUMBER OF INDIRECT JOBS TO BE CREATED:	50
NUMBER OF YEARS TO CREATE NEW JOBS:	3
MAXIMUM TAX REFUND PER JOB:	$1,300 spread over 6 years
MAXIMUM INCENTIVE AWARD APPLIED FOR:	$162,500
PROJECTED INCREMENTAL COUNTY TAX REVENUE:	$38,635
COUNTY'S MAXIMUM 20% AWARD ON PROJECT:	$32,500
STATE'S 80% MAXIMUM CONTRIBUTION:	$130,000
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: January 21, 2010

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

SUBJECT: Agenda Item No. 8(K)(1)(A)

Please note any items checked.

_____ "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

_____ Ordinance creating a new board requires detailed County Manager's report for public hearing

_____ No committee review

_____ Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous _____) to approve

_____ Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor

Veto _____

Override _____

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

1-21-10

RESOLUTION NO. _____

RESOLUTION APPROVING CONFIDENTIAL PROJECT NO. 10-00053 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. 10-00053 EXIST; AND PROVIDING AN APPROPRIATION OF UP TO $32,500 FROM GENERAL REVENUE FUNDS AS LOCAL PARTICIPATION IN THE STATE OF FLORIDA QUALIFIED TARGET INDUSTRY TAX REFUND PROGRAM FOR FISCAL YEARS 2011 THROUGH 2016, INCLUSIVE, OR OVER A TIME PERIOD AS DETERMINED BY THE STATE OF FLORIDA IN ITS APPROVAL OF CONFIDENTIAL PROJECT NO. 10-00053 APPLICATION WITH THE PROVISION THAT ANY TAX ABATEMENT GRANTED TO CONFIDENTIAL PROJECT NO. 10-00053 UNDER FLORIDA STATUTE 196.1995 REDUCES ANY QUALIFIED TARGET INDUSTRY TAX REFUND TO CONFIDENTIAL PROJECT NO.10-00053; 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 #10-00053 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. 10-00053 be approved as a qualified target industry business pursuant to Florida Statute 288.106, which created the Qualified Target Industry Tax Refund Program.

The necessary commitment of local financial support for Confidential Project No. 10-00053, as required under Florida Statute 288.106, exists in an amount not to exceed $32,500 from General Revenue Funds; and that this local financial support will be available in the following increments:

Fiscal Year 2011	$5,416
Fiscal Year 2012	$5,416
Fiscal Year 2013	$5,416
Fiscal Year 2014	$5,417
Fiscal Year 2015	$5,417
Fiscal Year 2016	$5,418
TOTAL	$32,500

or payable over a time period and at annual amounts as determined by the State of Florida in its approval of Confidential Project No. 10-00053 application, as long as the $32,500 is not exceeded with the provision that any tax abatement granted to Confidential Project No. 10-00053, 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. 10-00053 in compliance with the QTI Program.

The necessary commitment of local financial support shall be contingent on Confidential Project No. 10-00053 maintaining the jobs agreed to in this project's executed General Project Overview 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	

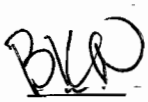
The Chairperson thereupon declared the resolution duly passed and adopted this 21st day of January, 2010. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

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 #: 10-00053

Prepared by The Beacon Council
September 2009

Executive Summary

Confidential Project 10-00053 is a local energy service company that is expanding. The company currently has 130 employees in their North East Miami-Dade County headquarters that provides services in around the country, not including Florida. In July of this year, the company acquired an energy service company in Massachusetts that makes available a large move in ready facility.

Confidential Project 10-00053 will be increasing their headquarters and business service operation with the creation of 125 new jobs by 2012 and new capital investment of $800,000 for the purchase of new equipment and the renovation of a 40,000 square foot facility. The anticipated annual average salary of the new jobs is $45,000.

Confidential Project 10-00053 is evaluating the consolidation of their FL and MA operations into a facility in the City of Doral or moving their operations out of Florida to their newly acquired facility in Massachusetts. The retention and expansion of this company in Miami-Dade County will retain 130 existing jobs and create 125 new jobs for a total of 255 jobs.

The Beacon Council, along with Enterprise Florida, is pursuing a Qualified Targeted Industry Tax Refund (QTI) to induce Confidential Project 10-00053 to remain and grow in Miami-Dade County. The Beacon Council is recommending a total award of $1,300 per new job created or $162,500 (125 new jobs x $1,300). Miami-Dade County's 20% QTI match totals $32,500. The State of Florida's 80 % match totals $130,000.

The State of Florida is in the process of finalizing approval to provide 80% of the Qualified Targeted Industry Tax Refund for Confidential Project 10-00053.

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	10 - 00053
New Jobs	125
Average Salary of New Jobs	$45,000
New Capital Investment	$800,000
Total Square Footage	40,000

QUALIFIED TARGETED INDUSTRY TAX REFUND (QTI)

State of Florida Amount (80%)	$130,000
Miami-Dade County Match (20%)	$32,500
Total QTI Amount	$162,500

COST BENEFIT RATIO (ROII)

Miami-Dade Incremental Tax Revenue	$38,635
Miami-Dade County QTI Match	$32,500
Net Revenue Benefit to Miami-Dade	$6,135
Cost Benefit Ratio (ROII)	1.2

INCENTIVE PROPOSAL CHECKLIST

10-00053

1. Enterprise Zone:	No
2. Total Number of New Jobs Projected	125
3. Average Salary per Job	$45,000
4. New Capital Investment	$800,000
5. New Square Footage	27,500
6. Per Job Incentive	$1,300

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

125 New Jobs Over **3** Year(s)

TOTAL QTI TAX REFUND

1. State of Florida Portion (80%)	$130,000
2. Miami-Dade County Match (20%)	$32,500
Total QTI Tax Refund Proposal	$162,500

RETURN ON INCENTIVE INVESTMENT (ROII)

1. Miami-Dade County Incremental Tax Revenue*	$38,635
2. Total Miami-Dade County (20%) QTI Match	$32,500
3. Miami-Dade County Net Revenue Benefit	$6,135
Total ROII Gain/Loss/Breakeven	1.2

* See Economic Impact Model

SUMMARY OF ECONOMIC IMPACT

10-00053

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	125
Indirect Employment	50
Total Employment Gain	**175**
Income from Wages	
Direct Employment	$31,880,250
Indirect Employment	$6,376,050
Total Income Gain	**$38,256,300**
Revenue to Miami-Dade County	
Total Property Taxes	**$20,042**
Total Local Sales Taxes	**$18,593**
Total Tax Revenue Gain	**$38,635**
Total Miami-Dade County (20%) QTI Match	**$32,500**
Miami-Dade County Net Revenue Benefit	**$6,135**

THE BEACON COUNCIL ECONOMIC IMPACT MODEL

10-00053

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	TOTAL
EMPLOYMENT							
Total Direct Jobs	75	100	125	125	125	125	
Indirect Employment	30	40	50	50	50	50	
TOTAL EMPLOYMENT	105	140	175	175	175	175	
INCOME ($1,000)							
WAGES & SALARY							
Total Direct Wages	$3,375.0	$4,635.0	$5,967.6	$5,967.6	$5,967.6	$5,967.6	$31,880.3
Total Indirect Wages	$675.0	$927.0	$1,193.5	$1,193.5	$1,193.5	$1,193.5	$6,376.1
TOTAL WAGES & SALARIES	$4,050.0	$5,562.0	$7,161.1	$7,161.1	$7,161.1	$7,161.1	$38,256.3
TOTAL INCOME	$4,050.0	$5,562.0	$7,161.1	$7,161.1	$7,161.1	$7,161.1	$38,256.3
INCREMENTAL PROPERTY TAXES ($1,000)							
Building & Equipment Taxes							
TOTAL PROPERTY TAXES	$14.9	$14.0	$13.1	$12.4	$11.7	$11.1	$77.1
MIAMI-DADE PROPERTY TAXES	$3.9	$3.6	$3.4	$3.2	$3.0	$2.9	$20.0
SALES TAXES ($1,000)							
Available Income	$4,050.0	$5,562.0	$7,161.1	$7,161.1	$7,161.1	$7,161.1	$38,256.3
Less Federal Income Tax	$3,240.0	$4,449.6	$5,728.9	$5,728.9	$5,728.9	$5,728.9	$30,605.0
Less Hous, Ins, Prop Tax	$2,430.0	$3,337.2	$4,296.6	$4,296.6	$4,296.6	$4,296.6	$22,953.8
Less Savings, Life Insur.	$2,187.0	$3,003.5	$3,867.0	$3,867.0	$3,867.0	$3,867.0	$20,658.4
Less Food, Drugs, Other Non-Tax	$1,640.3	$2,252.6	$2,900.2	$2,900.2	$2,900.2	$2,900.2	$15,493.8
Avail. Income For Sales Tax	$1,640.3	$2,252.6	$2,900.2	$2,900.2	$2,900.2	$2,900.2	$15,493.8
State Sales Tax Realized	$98.4	$135.2	$174.0	$174.0	$174.0	$174.0	$929.6
Local Sales Tax Realized	$2.0	$2.7	$3.5	$3.5	$3.5	$3.5	$18.6
TOTAL SALES TAXES ($1,000)	$100.4	$137.9	$177.5	$177.5	$177.5	$177.5	$948.2
TOTAL MIAMI-DADE PROPERTY & SALES TAXES ($1,000)	$5.8	$6.3	$6.9	$6.7	$6.5	$6.4	$38.6
TOTAL PROPERTY & SALES TAXES ($1,000)	$115.3	$151.8	$190.6	$189.9	$189.2	$188.6	$1,025.3

THE BEACON COUNCIL ECONOMIC IMPACT MODEL - ASSUMPTIONS

10-00053

Employment Assumptions

New Direct Permanent Jobs

Year 1	75
Year 2	100
Year 3	125
Year 4	125
Year 5	125
Year 6	125

Incremental Multiplier 0.40

* For every 100 direct jobs, 40 indirect jobs will be created. Total multiplier effect is 1.40

Annual Income Assumptions

Yearly Salary, Direct Permanent Job	$45,000
Indirect Job Salary	$22,500
Inflation	103%

Capital Investment

	Total Cap. Inv.
Y1 Value	$800,000
Y2 Value	$750,000
Y3 Value	$705,000
Y4 Value	$664,500
Y5 Value	$628,050
Y6 Value	$595,245

	Realty Prop.	Equip.
Y1	$300,000	$500,000
Y2	$300,000	$450,000
Y3	$300,000	$405,000
Y4	$300,000	$364,500
Y5	$300,000	$328,050
Y6	$300,000	$295,245

Property/Real Estate Taxes

Mill Rate, Less Dade's Revenue	0.01378
Miami-Dade's Revenue Mill Rate	0.00484
Miami-Dade's Total Mill Rate	0.01862
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

10 - 00053
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:

Enterprise Florida

The Atrium Building, Suite 201 • 325 John Knox Road
Tallahassee, Florida 32303
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

_____
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 X If yes, explain: _____

I. **What is the business unit's tax year** (ex: Jan 1 to Dec 31): Jan 1 to Dec 31

2. PROJECT OVERVIEW

A. **Which of the following best describes this business unit[1]:**

☐ New business unit to Florida

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

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

B. **How many individuals are employed at all Florida locations?** 130

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 to larger facilities to support our growth in the Energy Industry and the Sales & Marketing of energy commodities. The recent acquisition of a company in , MA, makes available to us a pre-existing, built out facility, which is in move–in ready condition. This option provides us with a cost effective alternative.

E. **What is the project's Targeted Industry(ies)[5]:** Clean Energy/Headquarters Operations & Business Services / Call Center

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

Business Unit Activities	NAICS Code	Project Function (total = 100%)	Annualized Wage ($)
Headquarter Operations	551114	40%	$71,000
Business Service/Call Center	5614	60%	$28,000

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

Street Address

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):
100% Explain, if necessary: Sales derived from NY, MI, OH, IN & NJ

[5] Refer to the QTI Target Industry list.

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. JOB AND WAGE OVERVIEW

A. **How many jobs[6] are expected to be created as part of this project?** 125

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) 130

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.) $45,000

D. **What is the annualized average value of benefits associated with each new job created as part of this project?** $6,500

E. **What benefits are included in this value?** (health insurance, 401(k) contributions, vacation and sick leave, etc.)
Health Insurance, Dental/Vision coverage, Long-Term Care insurance, Life Insurance, Short-Term Disability plan, Long-Term Disability plan, an allowance program & 401K, Paid Time Off (PTO) for Vacation or Sick days.

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):
Facility re-modeling & improvements, furniture, technology & telecom 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	$0	$0	$0
Construction / Renovations	$180,000	$90,000	$30,000
Manufacturing Equipment	$0	$0	$0
R&D Equipment	$0	$00	$0
Other Equipment (computer equipment, office furniture, etc.)	$300,000	$150,000	$50,000
Total Capital Investment	**$480,000**	**$240,000**	**$80,000**

D. **What is the estimated square footage of the new or expanded facility?** 40,000 SF

[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.

D. **What is the estimated square footage of the new or expanded facility?** 40,000 SF

E. **When is the final location decision anticipated** (date)? 4th Qtr - 2009

F. **What is the anticipated date construction will begin?** 4th Qtr - 2009

G. **What is the anticipated date operations will commence?** 1st Qtr - 2010

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 a major factor in company's decision to remain in South Florida. We are seriously considering another location in MA due to the availability of existing building & real estate as well as the associated cost savings.

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

C. **What advantages or incentives offered by these locations do you consider important in your decision?**
Tax Incentives, local & state government support, training and education facilities, source of high quality workforce.

D. **Indicate any additional internal or external competitive issues impacting this project's location decision?**
Location, Infrastructure, quality of life – housing and education

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.
This project will have a positive impact on the community through the creation of 125 new, well paying jobs in a down economy at a stable, growing company that will bring prestige to the community.

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.

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.**
Under a previous management team, commencing in late 2001 and through early 2003, raised approximately $3.2 million from the sale of stock to approximately 280 investors in transactions that were intended to be exempt from the registration provisions of federal securities laws. In January 2003 was engaged by Two months later, in response to findings from his review of books and records terminated the

sale of its securities in March 2003.

In August 2003, the staff of the United States Securities and Exchange Commission ("SEC") commenced an informal inquiry into sales of securities by The resulting civil action acknowledged that played much less of a part in the alleged violations than the other parties (all of whom were terminated). The only allegation relating to was that fundraisers were paid commissions while he was CFO.

In October 2006, , without admitting or denying any allegations, settled with the SEC. As a result of the settlement, the SEC allowed to de- register its securities and it became a private company. The informal inquiry is now closed.

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.

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

September 17, 2009
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

September 17, 2009
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.

10-00053

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]? 125

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	75	12/31/2010
II	25	12/31/2011
III	25	12/31/2012
Total	125	

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).

- ☒ $45,000, which is at least 115% of the average wage in Florida.
- ☐ $_____, 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, Florida

B. Indicate the date(s) the QTI support resolution(s) is / are anticipated to be passed by the local government:
November 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 — September 17, 2009 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*.