Memorandum

MIAMI-DADE COUNTY

Date: July 20, 2010

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

From: George M. Burgess
County Manager

Agenda Item No. 14(A)(21)

Subject: Resolution Approving Qualified Target Industry Tax Refund for Confidential Project #10-00228

Recommendation

The Beacon Council, on behalf of a firm that requests confidentiality, has submitted an application for economic development incentives from the State of Florida and Miami-Dade County. These requests require approval from the Board of County Commissioners (BCC) and it is recommended that the BCC approve the attached resolution authorizing Confidential Project 10-00228 to be recognized by the State as a Qualified Target Industry (QTI) business and entitled to the financial benefits afforded under the QTI tax refund program.

The attached documents relating to the application of a tax refund under the Florida QTI business incentive 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 anticipated dates for job creation and disbursement of incentive awards are set forth in the Resolution, but are subject to change at the direction of the County Mayor or the County Mayor's designee.

The applicant is also requesting economic incentives from the State's Brownfield Redevelopment Bonus Refund program, which is a separate item on this same agenda.

Scope

The firm is considering locations within Miami-Dade County's Enterprise Zone and is most likely to locate within District 6; however, the overall economic impacts will benefit the entire County through economic multiplier effects.

The firm applying for the QTI and Brownfield Bonus incentives currently operates in Miami-Dade, but seeks to develop a facility that is more suited to its size and anticipated growth. The company is also considering relocating to Argentina, Colorado, or California and transferring its local employment positions outside of Florida or possibly outside the U.S.

Fiscal Impact / Funding Source

Confidential Project 10-00228 is requesting a QTI incentive from Miami-Dade countywide general fund revenues disbursed over a six-year period beginning in FY 2012-13.

Confidential Project 10-00228 assures that it will invest $4.6 million in taxable real and personal property, generating incremental revenues projected at $101,926 over six years. Confidential Project 10-00228 has applied for a total of $450,000 in QTI program funds, of which 80 percent ($360,000) would be provided by the State of Florida, and 20 percent ($90,000) from countywide general fund revenues over a six-year period.

Track Record/Monitor

The disbursement of the County's portion of the QTI award is contingent upon the attainment of the new jobs promised by the company in the *Qualified Target Industry Tax Refund: Attachment to the General Project Overview*. The County's QTI local match is disbursed only after the State has verified the actual jobs created by the project and all other conditions of this incentive program. The State effectively monitors the creation of the QTI jobs and provides such information to the County. In the event the company is unable to attain the employment targets specified in the application, the business may then be entitled to receive a prorated amount of incentive payments for the additional employment positions achieved.

Economic Impact Overview

Confidential Project 10-00228 is a global leader in communications systems and seeks to expand local operations, increasing local employment with capital investments of approximately $3.75 million in real property and $850,000 in tangible personal property. The company is a leader in unified communications systems, providing businesses with platforms that enhance customer interactions and customer service, and create cost saving opportunities.

The firm plans to consolidate some of its current operations that are spread over multiple locations and maximize efficiencies from its consolidation to provide a base for future business expansion. Aside from the consideration to expand operations within the County, the business is also considering other locations for its relocation. If the company chooses one of these alternate locations, then 93 current jobs in its Miami-Dade location would probably be transferred to any of the other locations.

The company currently is committing to create an additional 80 jobs by December 31, 2011 in Miami-Dade County, an additional 80 jobs by the end of 2012, and 20 more jobs by the end of 2013. In total, the company is committing to create 180 new jobs by the end of 2013, which is a net increase in employment of at least 10 percent. The company commits that the new jobs will pay an average annual wage of $50,150, which is at least 115 percent of the average wage in Miami-Dade in 2009.

Attachments

Irene Taylor-Wooten
Special Assistant to the County Manager

PROJECT 10-00228 SUMMARY SHEET	
APPLICANT:	Confidential Project #10-00228
HEADQUARTERS LOCATION:	Miami-Dade County (proposed)
PROPOSED LOCATION IN MIAMI-DADE COUNTY:	Enterprise Zone, most likely in District 6
OTHER LOCATIONS UNDER CONSIDERATION:	California, Colorado, and Argentina
DATE OF QTI/TJIF APPLICATIONS:	July 7, 2010
OVERALL BUSINESS ACTIVITY/MISSION:	unified communications products and services, including data solutions.
PROPOSED LOCAL BUSINESS ACTIVITY:	unified communications products and services, including data solutions.
PROPOSED CAPITAL INVESTMENT:	$4,600,000 (buildings and equipment only)
TARGETED QTI/TJIF INDUSTRIES:	Information services and telecommunications
PROPOSED LOCATION IN DESIGNATED PRIORITY AREA:	Yes, Enterprise Zone
NEW BUSINESS OR EXPANDING BUSINESS:	Expanding
TOTAL NUMBER OF DIRECT JOBS TO BE CREATED/RETAINED:	180 / 93
EFFORT IN HIRING RESIDENTS IN LOCAL AREA:	unknown
PROJECTED ANNUALIZED AVERAGE WAGES FOR NEW JOBS:	$50,150
ANNUAL EMPLOYEE BENEFIT PACKAGE:	$12,000 (not a condition of incentive award)
NUMBER OF INDIRECT JOBS TO BE CREATED:	60
NUMBER OF YEARS TO CREATE NEW JOBS:	3
MAXIMUM TAX REFUND PER JOB DIRECT JOBS CREATED:	$4,500 ($500 County; $4,000 State) spread over 6 years.
MAXIMUM INCENTIVE AWARD APPLIED FOR:	$810,000 ($450,000 QTI; $360,000 Brownfield Bonus)
PROJECTED INCREMENTAL COUNTY TAX REVENUE:	$101,926
COUNTY'S MAXIMUM 20% QTI:	$90,000
STATE'S MAXIMUM 80% QTI AWARD CONTRIBUTION:	$360,000
TYPE OF FUNDS REQUESTED IN APPLICATION:	Countywide General Fund Revenues
COMMENTS: This summary sheet prepared by OEDC from information and data provided by the Beacon Council.	

MEMORANDUM

(Revised)

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

DATE: July 20, 2010

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

SUBJECT: Agenda Item No. 14(A)(21)

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. 14(A)(21)

7-20-10

RESOLUTION NO. _____

RESOLUTION APPROVING CONFIDENTIAL PROJECT NO. 10-00228 AS A QUALIFIED TARGET INDUSTRY BUSINESS PURSUANT TO FLORIDA STATUTE 288.106, CONFIRMING THAT THE COMMITMENTS OF LOCAL FINANCIAL SUPPORT NECESSARY FOR CONFIDENTIAL PROJECT NO. 10-00228 EXIST; PROVIDING AN APPROPRIATION OF UP TO $90,000 FROM GENERAL REVENUE FUNDS AS LOCAL PARTICIPATION IN THE STATE OF FLORIDA QUALIFIED TARGET INDUSTRY TAX REFUND PROGRAM FOR FISCAL YEARS 2013 THROUGH 2018, INCLUSIVE, OR OVER A TIME PERIOD AS DETERMINED BY THE STATE OF FLORIDA IN ITS APPROVAL OF CONFIDENTIAL PROJECT NO. 10-00228 APPLICATION WITH THE PROVISION THAT ANY TAX ABATEMENT GRANTED TO CONFIDENTIAL PROJECT NO. 10-00228 UNDER FLORIDA STATUTE 196.1995 REDUCES ANY QUALIFIED TARGET INDUSTRY TAX REFUND TO CONFIDENTIAL PROJECT NO. 10-00228 BY THE AMOUNT OF ANY SUCH TAX ABATEMENT GRANTED, IN COMPLIANCE WITH FLORIDA STATUTE 288.106(5)(c); AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO MAKE NON-SUBSTANTIVE MODIFICATIONS AND EXECUTE ALL CONTRACTS, AGREEMENTS, AND AMENDMENTS; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, the *Florida Qualified Targeted Industry Tax Refund Confidential Project #10-00228* report, the QTI *General Project Overview* application, and the *Qualified Target Industry Tax Refund Attachment to the General Project Overview*, copies of which are incorporated herein by reference; and

WHEREAS, this Project commits to bringing an additional 180 jobs to Miami-Dade County by December 31, 2013 with an average salary of $50,150.00 and is located in an Enterprise Zone; and

WHEREAS, the County's current unemployment rate exceeds 10 percent, the need for net job creation is high, and declines in the rate of unemployment tend to lag behind economic recoveries,

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 provides quality employment opportunities for residents of the County and enhances the County's economic foundation, and recommends that Confidential Project No. 10-00228 be approved as a qualified target industry business pursuant to Florida Statute 288.106, which created the Qualified Target Industry Tax Refund.

The necessary commitment of local financial support for Confidential Project No. 10-00228, as required under Florida Statute 288.106, exists in an amount not to exceed $90,000 from General Revenue Funds; this local financial support will be available in the following increments:

Fiscal Year 2013	$15,000
Fiscal Year 2014	$15,000
Fiscal Year 2015	$15,000
Fiscal Year 2016	$15,000
Fiscal Year 2017	$15,000
Fiscal Year 2018	$15,000
TOTAL	**$90,000**

or payable over a time period and at annual amounts as determined by the State of Florida in its approval of the Confidential Project No. 10-00228 application, Local financial support, however, may not exceed $90,000 with the provision that any tax abatement granted to Confidential Project No. 10-00228 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). The County's financial support 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. 10-00228 in compliance with the QTI Program.

The necessary commitment of local financial support shall be contingent on Confidential Project No. 10-00228 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 20th day of July, 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.

Rachel M. Wilhelm

Florida Qualified Target Industry Tax Refund (QTI)

Confidential Project #: 10-00228

Prepared by the Beacon Council
July 2010

9

Executive Summary for Project 10-00228

Background

Confidential Project #10-00228 is a global leader in communications systems. The company provides unified communications, contact centers, data solutions, and related services directly and through its channel partners to leading businesses and organizations around the world.

The business unit contemplating expansion/relocation is undergoing significant change to consolidate operations, refine process, stabilize the customer experience and provide a platform for continued growth across all facets of the business. The operation is currently sub-optimized, since its current population is spread across over 10 different locations, resulting in significant fracturing within process and roles.

Confidential Project #10-00228 is deciding among four locations. Three are current company locations with facilities ready and are located in Argentina, California and Colorado. Incentives will be used to offset new-market recruiting & training, infrastructure build-out and other needs based on the new location.

The project will create 180 direct new jobs with an average annualized salary of $50,150 in Miami-Dade County over a 3-year period and make a new capital investment of $4.6 million. The average salary of $50,150 represents over 115% of the State average wage. New employees will be sourced from the local community and the company will locate in an Enterprise Zone.

The application of Confidential Project #10-00228 for a QTI recognizes the creation of new, high-paying jobs and a substantial capital investment being committed by the project over the 6-year payout period. The enclosed QTI application package requests a maximum of $90,000 to be paid by the County over a period of six years and provides a positive benefit-cost ratio to the County of 1:1.13.

This is a performance-based incentive. No funds will be provided to the Company until they meet all program and job creation requirements. The incentive that is provided is not a cash grant; it is an after-the-fact, performance-based refund.

Further, as the location under consideration is a Brownfield, located in an enterprise zone within unincorporated Miami Dade County, the project is eligible for a Brownfield Bonus associated with the new jobs being created. The State of Florida will support 80% of the Brownfield Bonus, with the County waiving participation in its 20% portion of the Brownfield Bonus.

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

The Basic Assumptions

- The latest Miami-Dade County millage tax rates (2009) were used.
- This latest millage rate was used for the entire 6-year period analysis.

Conclusions

Based on the projected investment of $4,600,000 in new real property, the project's 6-year property tax revenue from this expenditure will be: $398,062.

- Miami-Dade County's general fund will receive $101,926 for the 6-year period.
- Miami-Dade County Public Schools will receive $168,440 for the 6-year period.
- The next largest tax revenue will go to special districts, including fire rescue, library and MSA.

GENERAL PROJECT OVERVIEW

_____
Name of Business

Confidential Project #10-00228
_____
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
Phone: 850.298.6620 • Fax: 850.298.6659
http://www.eflorida.com/

GENERAL PROJECT OVERVIEW

1. BUSINESS INFORMATION

A. Name of Applicant / Business Unit: _____

This should be the entity that will be party to the QTI agreement with the State of Florida. If multiple affiliates are involved, include an attachment listing affiliate name(s), Federal Employer Identification Number(s), Unemployment Compensation Number(s) and relationship to applicant.

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 Uni t's Federal Employer Identification Number:
(Please complete either the substitute W-9 Form at the end of this application or attach a completed IRS Form W-9.) _____

F. Business Unit's Unemployment Compensation Number[1]: _____

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)**:**

J. Has this business unit, or any related entities, applied for and/or been approved for State incentives in the past?

Yes ☐ No ☒ If yes, explain: _____

2. PROJECT OVERVIEW

A. Which of the following best describes this business unit[2]:

☐ New business unit to Florida

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

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

B. How many individuals are employed at all Florida locations? 420

---

[1] If multiple unemployment compensation reporting units or multiple worksites are involved, contact Enterprise Florida to discuss this structure.

[2] 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.

[3] A QTI Tax Refund award cannot be granted for existing Florida jobs.

GENERAL PROJECT OVERVIEW

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

Yes ☒ No ☐ If yes, how many jobs and from where? TBD based on employee skill set and interest

Why are these jobs moving and why is it justified in light of the statutory language governing the applicable incentive program(s)?

Currently the company has an estimated 420 jobs in the State of Florida, of which an estimated 327 are virtual employees or parts of other business units. The remaining jobs are office employees located in the northern part of State. A number of employees, yet to be determined, from the northern location may be relocated to South Florida in new roles. The total number of new net full-time jobs to the State of Florida will be 180 and total Florida head count for the company will grow to an estimated 600. If a location outside of the State of Florida is chosen, a number of Florida jobs would potentially be lost.

D. Give a full description of this project, including a company overview, the primary activities / functions of this business unit and project, and the reasons for contemplating an expansion in / relocation to Florida:

The company is a global leader in communications systems.

The business unit contemplating expansion/relocation is undergoing significant change to consolidate operations, refine process, stabilize the customer experience and provide a platform for continued growth across all facets of the business. The operation is currently sub-optimized, since our current population, in numerous forms, is spread across over 10 different locations, resulting in significant fracturing within process and roles. The northern location is one of many requiring new objectives, skills and operational processes.

While the business unit has an opportunity to utilize current facilities in Argentina, California and Colorado, we see an opportunity in Florida to create a multi-national operation focused on all of North America, Central America, Latin America and South America with possible overnight assistance to select European countries. We believe that Miami-Dade, specifically, can be a flagship location displaying the global strengths of both the company and the region. This location would offer significant advantages in terms efficiency and community awareness.

This new organization will be made up of four different sales groups of increasing skills and wage. This structure will create long-term career paths, significant stability in the organization and the kind of customer experience and revenue results that will drive both revenue growth and possible future headcount growth over the current plan. The teams will drive processes into many different countries and in multiple languages. The teams will work with customers, channel partners and other business partners to help generate revenue growth and a positive customer experience. This organization is not a "call center" operation in the traditional sense of the word. With a high caliber employee population, significant career opportunities, high wage roles and expected low attrition rates, we may refer to this operation as a "Sales Center."

E. In what Targeted Industry(ies) does the proposed project operate?[5]: Unified Communications, Telecommunications, Global Services, Contact Centers, Data Networking

[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

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

Business Unit Activities	5 Digit NAICS Code(s)	Project Function (total = 100%)	Annualized Wage ($)
Sales Representatives	561422	86%	$42,500
Leadership Positions	561422	9%	$90,000
Operations & Senior Operations	561422	5%	$110,000

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

TBD
Street Address

TBD — TBD — TBD
City — *State* — *Zip Code*

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

The proposed Business Unit does not exist.
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 X If yes, which Rural area? _____

Is the project location in an Urban area[6]?

Yes ☐ No X If yes, describe? _____

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):

X 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):

Approx. 90-95% — Explain, if necessary: _____

3. JOB AND WAGE OVERVIEW

A. How many Florida jobs[7] are expected to be created as part of this project? 180

[5] Refer to the QTI Target Industry list.
[6] An Urban area may include a Community Redevelopment Area (CRA), Urban Job Tax Credit eligible area, Urban Enterprise Zone, Federal Empowerment Zone, an Urban revitalization area, etc.
[7] A "full time equivalent job" means at least 35 hours of paid work per week.

GENERAL PROJECT OVERVIEW

B. If an existing business unit, how many Florida 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) 93

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.) $50,150

D. What is the annualized average value of benefits associated with each new job created as part of this project? $12,000

E. What b enefits are included in this value? (health insurance, 401(k) contributions, vacation and sick leave, STIP bonus for some management etc.)
Health Insurance, Life Insurance, Disability, 401K, Vacation, 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.):
Estimated at $4,600,000

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:

Calendar Year :	2010	2011	2012			Total
Land or Building Purchase	$	$	$	$	$	$
Construction / Renovations	$150,000	$3,600,000	$	$	$	$3,750,000
Manufacturing Equipment	$	$	$	$	$	$
R&D Equipment	$	$	$	$	$	$
Other Equipment (computer equipment, office furniture, etc.)	$150,000	$400,000	$300,000	$	$	$850,000
Total Capital Investment	$300,000	$4,000,000	$300,000	$	$	$4,600,000

D. What is the estimated cost of machinery and equipment or other resources for this project expected to be purchased outside of Florida? Dependant on facility selected.

E. What is the estimated square footage of the new or expanded facility? 40,000 - 60,000

F. When is the final location decision anticipated (date)**?** Sept 2010

G. What is the anticipated date construction will begin? Oct 2010

H. What is the anticipated date operations will commence? ASAP – Possible use of current location

GENERAL PROJECT OVERVIEW

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 role is significant. We are deciding among four locations. Three are current company locations with facilities ready. Florida, the new location, has more appropriate populations of employees to be hired. Incentives will be used to offset new-market recruiting & training, infrastructure build-out and other needs based on new location.

B. How will the incentive dollars be used by the business?

Infrastructure, training, recruiting, technology purchase, benefits to employees.

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

California, Denver & Argentina.

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

All incentives are relevant. Training dollars, tax benefits, recruiting dollars and technology purchase in California, Argentina and Colorado are most relevant to those locations.

E. What advantages or disadvantages offered by the proposed Florida location do you consider important in your decision?

Florida offers a stronger ability to house a multi-national business with global reach and a strong focus on Central America, Latin America and South America.

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

The internal conversation relates to having facilities that are ready in three locations vs. having an optimal population to recruit from in Florida. Travel ease and attractiveness of locale are also relevant.

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.

We expect that this business will provide significant high wage (above average wage) stimulation to the economy. We believe that the business will help retain talent in the state selected and offer compelling incentives for newly educated populations to remain in the state. We will provide roles that attract a diverse, multi-national and multi-cultural population to the company and region. Our comprehensive training, development and certification programs will provide high retention roles to the area and create significant career path opportunities for our employees and other workers in region. The addition of approximately 180 jobs to the location will positively impact unemployment rate and per capita income.

B. Provide a summary of past activities in Florida and in other states. For example, what kind of corporate citizen has the applicant been? Also list awards or commendations.

The company has been a strong participant in the Florida economy. We currently have multiple locations and business units with high wage and long-term employees. Our Briefing Center, proof-of-concept labs and training facilities have not only provided stable opportunities for employees but have also allowed us to attract other company's employees to spend time in the region with our company. The company has a significant population of virtual office employees and Latin America regional employees located in the state but not

considered as part of the business case for location decisions. The company is known for customer service excellence. The company has achieved certification by organizations for providing an outstanding customer experience. In addition, the company is proud of its reputation as a corporate citizen; the company has been named among the world's most ethical companies in multiple years.

C. List and explain any criminal or civil fines or penalties, ongoing investigations, federal, state and/or local tax liens, and environmental issues that have been imposed upon the company, its executives, or its affiliates and any recent bankruptcy proceedings of the applicant or its parent company. Failure to disclose relevant information may mean automatic disqualification. If there are no issues to be identified, answer "None". Do not leave this question blank.

Criminal or civil fines or penalties, ongoing investigations

In 2005, the Company received a subpoena from the Office of Inspector General, U.S. General Services Administration, relating to a federal investigation of the Company's billing. The subpoena requests records from 1990 to the date of the subpoena. The Company has cooperated with the government and has produced information in response to the subpoena. The Company believes that it has valid defenses to the government's claims and that the government's assumptions underlying its claims of improper billing are inaccurate. Nonetheless, the Company has cooperated with the government in an effort to resolve this matter. The Company cannot be assured that it will reach an amicable resolution with the government. Therefore, at this time the Company cannot determine if this matter will have an effect on its business or, if it does, whether its outcome will have a material adverse effect on the Company's financial position, results of operations or cash flows. The federal government inquiry, in the form of a subpoena issued by the federal government, relates to whether federal government agencies were billed properly for services on equipment they had purchased or leased, dating back to the early 1990s. The status right now is that we have cooperated in providing extensive information related to the subpoena and believe that our billing practices were not unlawful or improper. Nonetheless, we cannot determine whether the government will initiate any further court proceedings related to the investigation or whether any other matters will arise regarding such issues.

The Company is also currently subject to an investigation by the California Attorney General related to billing practices and is in the process of trying to resolve the matter. The State of California inquiry, in the form of a subpoena issued by the attorney general, relates to whether state government agencies were billed properly for services on equipment they had purchased or leased, dating back to the early 1990's. The status right now is that we have cooperated in providing extensive information related to the subpoena and believe that our billing practices were not unlawful or improper. Nonetheless, we cannot determine whether the the state government will initiate any further court proceedings related to the investigation or whether any other matters will arise regarding such issues.

Federal, state and/or local tax liens

None

Environmental Issues

In 2010, a northern US county issued a Notice of Violation because of an outside concern at one of our locations (violation of regulations associated with the Clean Water Act). There was no fine, and the concern was removed from the company's premises when the company was informed of the violation. The pile had been stored by the contractor who was responsible for work on the company property.

In 2002, the company received a Notice of Violation for a factory before the company sold it to another concern. The Notice of Violation cited numerous violations under regulations for managing hazardous wastes. The issue was settled for a fine plus a contribution to the organization responsible for training the inspectors. The factory was sold and is no longer the company's property. The item was resolved in 2003.

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

8. SIGNATURES

Application Completed By:

Signature

Date

Name

Title

Company

Address, if different than mailing address

Phone Number

Fax Number

Email Address

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

Date

Name

Title

Company

Address, if different than mailing address

Phone Number

Fax Number

Email Address

STATE OF FLORIDA
Department of Financial Services – Chief Financial Officer
Bureau of Accounting, 200 East Gaines Street, Tallahassee, FL 32399-0354
Telephone (850) 413-5519 Fax (850) 413-5550

Substitute Form W-9

In order to comply with IRS regulations, we are requesting Taxpayer Identification information that will be used to determine whether you will receive a Form 1099 for payment(s) made to you by an agency of the State of Florida. For questions regarding this form, please use the address or telephone number provided above. In order to comply with the IRS rules, please provide us with your social security (SSN) or federal employer identification number (FEIN). This is **not** a request for state sales tax exemption.

In the event this information is not provided, or should the IRS notify us that the provided information is incorrect, all payments made to you may become subject to a 28% Backup Withholding Tax Rate. Please print clearly or type.

PART 1 – Please provide the correct Tax Identification Number **(TIN)**, be it FEIN –**or**- SSN, and the applicable name and address **as shown on your income tax return**.

The TIN is (check one) _____ FEIN ___SSN

Federal Employer Identification Number (FEIN)

NAME **(as shown on your income tax return)** _____

Business name if sole proprietor _____

ADDRESS _____

CITY, STATE, ZIP _____

PART 2 - Below, circle one number that accurately describes the business or the individual:

1 - **CORPORATION, PROFESSIONAL ASSOCIATION OR PROFESSIONAL CORPORATION**
(A corporation formed under the laws of any state within the United States.)

2 - **NOT FOR PROFIT CORPORATION** (Section 501(c) (3) Internal Revenue Code)

3 - **PARTNERSHIP, JOINT VENTURE, ESTATE, TRUST OR MULTIPLE MEMBER LLC**

4 - **INDIVIDUAL, SOLE PROPRIETOR, SELF EMPLOYED OR SINGLE MEMBER LLC**
(Circle #4 if you are an individual that benefited from a student loan forgiveness payment)

5 - **NONCORPORATE RENTAL AGENT**

6 - **GOVERNMENTAL ENTITY** (City, County, State or U.S. Government)

7 - **FOREIGN CORPORATION OR ENTITY** (A foreign entity formed under the laws of a country other than the United States.) If YES is marked below, complete and attach Form W-8ECI.
Is income effectively connected with business in the United States? _____YES _____NO

8 - **NONRESIDENT ALIEN** (An individual temporarily in the U. S. who is not a U.S. citizen or resident.)

Under the penalties of perjury, I certify that I have examined this request and to the best of my knowledge and belief, it is true, correct and complete.

_____ Signature

_____ Date

_____ Telephone Number

_____ Title

_____ email (optional)

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.

Confidential Project # 10-00228

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]? 180

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	80	12/31/2011
II	80	12/31/2012
III	20	12/31/2013
Total	**160**	

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).

- ☒ $50,150, which is at least 115% of the average wage in Miami/Dade.
- ☐ $_____, 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]:
Florida, Miami, Dade County

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

[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

Pamela Craven - Chief Administrative Officer

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*.

INCENTIVE PROPOSAL SUMMARY:
CONFIDENTIAL PROJECT 10-00228

Project Summary:	
Project Name	#10-00228
New Jobs	180
Average Salary	$50,150
New Capital Investment	$4,600,000
New Square Footage	40,000 - 60,000
QTI and TJIF Breakdown:	
Total New Property Taxes (General Fund Only)	$101,926
QTI Miami-Dade County Match (20%)	$90,000
Net Revenue Benefit to Miami-Dade	$11,926
Total Benefit-Cost Ratio	1:1.13

REAL PROPERTY TAX BENEFITS

Six Year Projection Study

Incentive Summary

Confidential Project #10-00228
7/1/2010

Prepared by:

Dr. Jaap Donath
Vice-President
Department of Research & Strategic Planning

INCENTIVE PROPOSAL CHECKLIST

Confidential Project #10-00228

1. Enterprise Zone:	Yes
2. Number of New Jobs Projected:	180
3. Average Salary per Job:	$50,150
4. New Capital Investment:	$4,600,000
5. New Square Footage:	50,000
6. Per Job Incentive:	$2,500

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

180 New Jobs Over 3 Years

TOTAL QTI TAX REFUND

1. State of Florida Portion (80%)	$360,000
2. Miami-Dade County Match (20%)	$90,000
Total QTI Tax Refund Proposal	$450,000

RETURN ON INCENTIVE INVESTMENT (ROII)

1. Miami-Dade County Incremental Tax Revenue*	$101,926
2. Total Miami-Dade County (20%) QTI Match	$90,000
3. Miami-Dade County Net Revenue Benefit	$11,926
Total ROII Gain/Loss/Breakeven	1.13

* See Economic Impact Model

SUMMARY OF ECONOMIC IMPACT

Confidential Project #10-00228

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	180
Indirect Employment	108
Total Employment Gain	**288**
Income from Wages	
Direct Employment	$52,342,246
Indirect Employment	$15,702,674
Total Income Gain	**$68,044,920**
Revenue to Miami-Dade County	
Total Property Taxes	**$101,926**
Total Local Sales Taxes	**$0**
Total Tax Revenue Gain	**$101,926**
Total Miami-Dade County (20%) QTI Match	**$90,000**
Miami-Dade County Net Revenue Benefit	**$11,926**

THE BEACON COUNCIL ECONOMIC IMPACT MODEL - ASSUMPTIONS

Confidential Project #10-00228

Employment Assumptions

New Direct Permanent Jobs

Year 1	80
Year 2	160
Year 3	180
Year 4	180
Year 5	180
Year 6	180

Incremental Multiplier 0.60

* For every 100 direct jobs, 60 indirect jobs will be created. Total multiplier effect is 1.60

Annual Income Assumptions

Yearly Salary, Direct Permanent Job	$50,150
Indirect Job Salary	$25,075
Inflation	103%

Capital Investment

	Total Cap. Inv.
Y1 Value	$3,610,933
Y2 Value	$3,543,512
Y3 Value	$3,500,088
Y4 Value	$3,475,878
Y5 Value	$3,467,083
Y6 Value	$3,470,689

	Realty Prop.	Equip.
Y1	$3,060,000	$550,933
Y2	$3,105,900	$437,612
Y3	$3,152,489	$347,600
Y4	$3,199,776	$276,102
Y5	$3,247,772	$219,310
Y6	$3,296,489	$174,200

Investment	$3,750,000	$850,000
Depreciated		$693,600

Equipment Depreciation 0.20569

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 (81.6%)	0.816

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	0.00%
Total Sales Tax	6.00%

THE BEACON COUNCIL ECONOMIC IMPACT MODEL

Confidential Project #10-00228

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	TOTAL
EMPLOYMENT							
Total Direct Jobs	80	160	180	180	180	180	
Indirect Employment	48	96	108	108	108	108	
TOTAL EMPLOYMENT	128	256	288	288	288	288	
INCOME ($1,000)							
WAGES & SALARY							
Total Direct Wages	$4,012.0	$8,264.7	$9,576.7	$9,864.0	$10,160.0	$10,464.8	$52,342.2
Total Indirect Wages	$1,203.6	$2,479.4	$2,873.0	$2,959.2	$3,048.0	$3,139.4	$15,702.7
TOTAL WAGES & SALARIES	$5,215.6	$10,744.1	$12,449.8	$12,823.3	$13,208.0	$13,604.2	$68,044.9
TOTAL INCOME	$5,215.6	$10,744.1	$12,449.8	$12,823.3	$13,208.0	$13,604.2	$68,044.9
INCREMENTAL PROPERTY TAXES ($1,000)							
Building & Equipment Taxes							
TOTAL PROPERTY TAXES	$67.2	$66.0	$65.2	$64.7	$64.5	$64.6	$392.2
MIAMI-DADE PROPERTY TAXES	$17.5	$17.1	$16.9	$16.8	$16.8	$16.8	$101.9
SALES TAXES ($1,000)							
Available Income	$5,215.6	$10,744.1	$12,449.8	$12,823.3	$13,208.0	$13,604.2	$68,044.9
Less Federal Income Tax	$4,172.5	$8,595.3	$9,959.8	$10,258.6	$10,566.4	$10,883.4	$54,435.9
Less Hous, Ins, Prop Tax	$3,129.4	$6,446.5	$7,469.9	$7,694.0	$7,924.8	$8,162.5	$40,827.0
Less Savings, Life Insur.	$2,816.4	$5,801.8	$6,722.9	$6,924.6	$7,132.3	$7,346.3	$36,744.3
Less Food, Drugs, Other Non-Tax	$2,112.3	$4,351.4	$5,042.2	$5,193.4	$5,349.2	$5,509.7	$27,558.2
Avail. Income For Sales Tax	$2,112.3	$4,351.4	$5,042.2	$5,193.4	$5,349.2	$5,509.7	$27,558.2
State Sales Tax Realized	$126.7	$261.1	$302.5	$311.6	$321.0	$330.6	$1,653.5
Local Sales Tax Realized	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
TOTAL SALES TAXES ($1,000)	$126.7	$261.1	$302.5	$311.6	$321.0	$330.6	$1,653.5
TOTAL MIAMI-DADE PROPERTY & SALES TAXES ($1,000)	$17.5	$17.1	$16.9	$16.8	$16.8	$16.8	$101.9
TOTAL PROPERTY & SALES TAXES ($1,000)	$194.0	$327.1	$367.7	$376.3	$385.5	$395.2	$2,045.7