Memorandum

MIAMI-DADE COUNTY

Date: July 20, 2010

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

Agenda Item No. 14(A)(22)

From: George M. Burgess, County Manager

Subject: Resolution in Support of Confidential Project 10-00228 for a State of Florida Brownfield Redevelopment Bonus Refund

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Recommendation

The Beacon Council, on behalf of a firm that requests confidentiality, has submitted an application for a State of Florida (State) Brownfield Redevelopment Bonus Refund. It is recommended that the Board of County Commissioners (Board) support the approval of Confidential Project 10-00228 for a State Brownfield Redevelopment Bonus Refund, with Miami-Dade County opting out of the local match.

The applicant is also requesting incentives from Qualified Target Industry (QTI) tax 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.

Fiscal Impact / Funding Source

Approval of this Brownfield Redevelopment Bonus Refund will not create a negative fiscal impact to the County.

Through this program, the business is eligible to receive $2,500 for each job created and the State will pay 80 percent (or $2,000) for each job created, or $360,000 for the estimated 180 jobs to be created. The County opts out of its 20 percent match in the Brownfield Redevelopment Bonus program because it is supporting the project through the QTI incentive program.

Track Record/Monitor

Confidential Project 10-00228 currently employs 93 workers in Miami-Dade County and is considering capital investments totaling approximately $4.6 million and adding 180 additional workers by the end of 2013. The State will pay the Brownfield Bonus incentive subject to the addition of 180 new jobs and will verify that all other conditions of the incentive have been met.

Background

The State of Florida created the Brownfield Redevelopment Bonus Refund Program as codified in Section 288.107 of the Florida Statutes. The Brownfield Redevelopment Bonus is available to encourage redevelopment and job creation within designated brownfield areas. Pre-approved applicants receive tax refunds of up to $2,500 for each new job created. The amount of the refund is equal to 20 percent of the average annual wage of the new jobs created. While a minimum wage salary could be as low as $15,400, the company has stated in its application that the average wage for its new jobs will be $50,150. Refunds are based on taxes paid by the business, including corporate income, sales, ad valorem, intangible personal property, insurance premiums, and certain other taxes. No more than 25 percent of the total refund approved may be paid in any single fiscal year. Under Florida Statute 288.107 Confidential Project 10-00228 is eligible to apply for the Brownfield Bonus. Eligibility is verified by the State.

As provided in Florida Statutes 288.107(3)(a)-(e) the criteria for participation in the program are, in relevant part:

1) Create at least ten new Florida full-time jobs with benefits, excluding construction and site remediation jobs. The company is committing to create 180 new jobs by the end of 2013.
2) Demonstrate that the project will diversify and strengthen the economy of the area surrounding the site. Confidential Project 10-00228 will bring new jobs to the surrounding area and additional jobs to the rest of the County through economic multiplier effects. The capital investment will increase the area's base and tax revenues.
3) Demonstrate that the project will promote capital investments in the area beyond that contemplated for the rehabilitation of the site. This is expected from strengthening the surrounding commercial area.
4) Provide a local government resolution supporting the project with a local match, or in the alternative, a resolution supporting the project, but opting out of the match. This item, if approved, will meet this criterion.

This project involves the construction of a new 40,000 to 60,000 square feet of commercial office space. The details of this project are as follows:

APPLICANT:	Confidential Project 10-00228
LOCATION:	Miami-Dade County Enterprise Zone (Central) in proximity to Miami International Airport
PROPOSED LOCATION IN MIAMI-DADE COUNTY:	District 6
DATE OF APPLICATION:	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:	$4.6 million
TARGETED INDUSTRY:	Information services and telecommunications
PROPOSED LOCATION IN DESIGNATED PRIORITY AREA:	Yes, Brownfield Site
NEW BUSINESS OR EXPANDING BUSINESS:	Expanding
NUMBER OF DIRECT JOBS TO BE CREATED/RETAINED:	180
COMMENTS:	Information for this item was provided by The Beacon Council

Attachments

Irene Taylor-Wooten
Special Assistant to the County Manager

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)(22)

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)(22)
7-20-10

RESOLUTION NO. _____

RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS, THE GOVERNING BOARD OF MIAMI-DADE COUNTY, FLORIDA, RECOMMENDING THAT CONFIDENTIAL PROJECT #10-00228 BE APPROVED AS A QUALIFIED APPLICANT PURSUANT TO SECTION 288.107, FLORIDA STATUTES; REQUESTING A WAIVER OF LOCAL FINANCIAL SUPPORT; AND PROVIDING AN EFFECTIVE DATE

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

WHEREAS, the business under consideration is a unified communication systems company; and

WHEREAS, Confidential Project #10-00228 is located within the Central Enterprise Zone of Miami-Dade County, Florida, and the site is subject to designation as a Brownfield area; and

WHEREAS, Confidential Project #10-00228 proposes to remodel a building and purchase manufacturing equipment; and

WHEREAS, Confidential Project #10-00228 will create one hundred eighty (180) new full time employment opportunities with an anticipated annualized average wage of $50,150 and annualized average value of benefits associated with each new job created by the project in the amount of $12,000; and

WHEREAS, Miami-Dade County acknowledges its local participation is optional; and

WHEREAS, the Board of County Commissioners of Miami-Dade County requests a waiver from the twenty percent (20%) local match requirement authorized under the Brownfield Redevelopment Bonus Refund Program pursuant to Section 288.107, Florida Statutes; and

WHEREAS, in Resolution No. R114-96, the Board made certain findings as to the importance of environmental remediation and established the Brownfield's Task Force to achieve that goal; and

WHEREAS, in areas of Miami-Dade County, certain former industrial sites with either real or perceived contamination problems remain abandoned for long periods of time, due primarily to substantial remediation costs; and

WHEREAS, sites left in this condition ("brownfields") often threaten the surrounding community and water supplies, become a blight to the neighborhoods, and represent a loss of property taxes,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board hereby recommends Confidential Project #10-00228 be approved under the Brownfield Redevelopment Bonus Program pursuant to Section 288.107, Florida Statutes.

BE IT FURTHER RESOLVED that Miami-Dade County is eligible for the local financial support exemption option authorized under the Brownfield Redevelopment Bonus Refund Program pursuant to Section 288.107, Florida Statutes, and will exercise that option.

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

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:

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

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[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.

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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.

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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

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

	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

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

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

Sales Tax Rates

Florida Sales Tax	6.00%
Miami-Dade County Sales Tax	0.00%
Total Sales Tax	6.00%

Equipment Depreciation 0.20569

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