Memorandum

MIAMI-DADE COUNTY

Date: January 12, 2011

EDSS
Agenda Item No. 1(F)3

To: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

From: George M. Burgess
County Manager

Subject: Ordinance Amending the County's Targeted Jobs Incentive Fund Program

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Recommendation

It is recommended that the Board of County Commissioners (Board) approve the attached ordinance that would amend Sections 2-1252, 2-1253, 2-1254, 2-1255, 2-1256, 2-1257, 2-1258, 2-1259 and 2-1260 of the Code of Miami-Dade County, all of which are related to the County's Targeted Jobs Incentive Fund (TJIF) Program.

The TJIF Program was initially created through Ordinance 00-98 and modified through Ordinances 02-251 and 05-91. The proposed ordinance would modify and enhance the TJIF program, which is used to attract new-to-market businesses and support local business expansions, and repeals the existing sunset provision but allows businesses interested in participating in the TJIF Program to apply to The Beacon Council through September 30, 2020.

Scope

The TJIF Program is available to any business that meets the criteria set in the attached ordinance; however, a business looking to locate in a Designated Priority Area (DPA), as defined under Section 2-1252 of the Code, is eligible for a higher incentive award.

Fiscal Impact

The TJIF Program is structured so that revenues received from the TJIF project will meet or exceed incentives paid by the County. As a result, the TJIF Program has a positive, fiscal impact on the countywide general fund during the incentive payout period.

More specifically, TJIF incentives paid over a six-year period, subsequent to the capital investment of the TJIF project appearing on the tax roll, may equal up to 1.7 percent of the total real property capital investment and 1.15 percent of the tangible personal property capital investment. The TJIF project is eligible for additional incentive amounts, for both real property and tangible personal property capital investments, if it is:

1. A Miami-Dade County "green certified" business, as applicable (an additional 0.25 percent);
2. Located in a DPA (an additional 0.10 percent);
3. Located in a "green certified" building pursuant to Section 2-1258 (an additional 0.05 percent); and/or
4. Classified as having its principal business activity in the manufacturing, installation, and repair of Solar Thermal and Photovoltaic energy production or other clean energy projects (an additional 0.05 percent).

In no case will any TJIF project ever receive an actual award greater than the amount of countywide ad valorem revenues paid in. In the event that there is less capital investment, the TJIF project will only be eligible to receive a payout based on the approved percentage of the actual capital investment.

Background

On July 6, 2000, the Board adopted Ordinance 00-98 creating the TJIF Program as a local business incentive. At that time, The Beacon Council, in its capacity as Miami-Dade County's official economic

development partner, and County staff developed the self-funding TJIF business initiative. The TJIF Program is available to companies from outside of the County (with the exception of those located in Palm Beach, Broward, and Monroe Counties) wishing to relocate to Miami-Dade County and to existing Miami-Dade companies that undertake a business expansion and create jobs as a result of the local expansion. The TJIF Program spurs business activity and is utilized to expand Miami-Dade County's economy.

The TJIF Program works by providing cash incentives to qualifying companies in selected industries that create new above-average paying jobs (at least 10 new jobs for both relocating and expanding businesses) and make a capital investment of at least $3 million. Businesses that expand or relocate within the boundaries of the Enterprise Zone, Targeted Urban Areas, Brownfield areas, and Community Development Block Grant eligible areas are eligible for an additional incentive amount. All disbursements of incentive awards occur after jobs are created, capital investments are made, and after a qualifying company pays its taxes.

It is important to note that a Palm Beach, Broward or Monroe County-located company that is planning to relocate outside South Florida is eligible for the TJIF inducement program and may be solicited by The Beacon Council in an effort to retain the business in South Florida. Information regarding a company's location and/or expansion evaluation may be held confidential in accordance with Florida Statutes 288.075 and 288.1066. Any company interested in participating must submit a complete application to The Beacon Council. The Beacon Council then submits the application with its analysis and recommendation to the Mayor or the Mayor's designee. If the Mayor or the Mayor's designee concurs, County staff will prepare a Resolution for the Board's consideration, as appropriate.

The "business" of attracting and retaining businesses is dynamic and highly competitive and an effective local business incentive program such as the TJIF Program is a tool to achieve this feat. Several other local governments nationwide have relocation incentive programs. The TJIF Program is Miami-Dade County's own local business incentive program; however, from time to time, the incentives must be re-evaluated for Miami-Dade County to remain competitive in attracting new-to-market (relocating) firms, assisting existing local companies expand, and promoting job growth.

The proposed changes to the existing ordinance are designed to enhance the TJIF Program and better focus our efforts on encouraging heightened business activity from specific industries. In addition to the correction of minor scrivener's errors and the update of agency/departmental names and responsibilities, the most significant highlights and changes by Section are as follows:

Section 2-1252 - Definitions

- Allows the use of either Miami-Dade County's or the State of Florida's average annual wage figures to determine the compensation amount of each new job created by the TJIF project. This change would make the TJIF Program consistent with the State's QTI program.
- Clarifies the definition of "capital investment" to mean the amount of money a business spends on local taxable real and/or tangible personal property, limited to new construction, renovation of buildings, and new equipment.
- Removes the definition of "Economic Impact Model" as specific types of accepted econometric models are referenced in Section 2-1256.
- Removes the definition of "incremental tax revenues" and "sufficient incremental tax revenue" because the incentives are capital investment formula based rather than the amount of incremental tax revenue generated.
- Includes a definition for "new-to-market" businesses previously referred to under the old program as relocating businesses.

Section 2-1254 – Eligible Industries

- Deletes the list of 33 eligible industries under the existing program and replaces them with a consolidated list of industries that have the potential to diversify our economy and add high-value jobs. The proposed industries under Section 2-1254 include: 1) Advanced Manufacturing, 2) Aviation/Aerospace, 3) Clean Energy (i.e. such as solar photovoltaic and solar thermal energy, biofuels, smart grid technologies, energy storage, and ocean energy), 4) Financial/Professional Services, 5) Homeland Security/Defense, 6) Information Technology, 7) Life Sciences, 8) Creative Industries, 9) Global Logistics, and 10) Corporate Headquarters. Each of these industry groups are identified by their US North American Industry Classification System (NAICS) code. These specific industries were identified by Enterprise Florida, a public-private partnership serving as the State's main entity for economic development, as important industry clusters or business activities of special importance to Florida's future economic growth and development. These eligible industries were identified in Enterprise Florida's report "Roadmap to Florida's Future: 2010-2015 Strategic Plan for Economic Development."

Section 2-1255 – Program Requirements

- Continues the requirement that companies receiving TJIF incentives must pay all of its employees no less than the Living Wage Rate to remain eligible.
- Clarifies that the jobs promised under the TJIF application/agreement must pay an estimated an average annual wage at least equal to the average private sector wage of the County or the statewide private sector wage. Furthermore, the proposed ordinance clarifies that only new jobs (not existing jobs) are to be included when determining the average annual wage and that only the Board, at its discretion, may waive the average annual wage requirement at the request and justification of The Beacon Council or the Mayor or the Mayor's designee.
- Specifies that both new-to-market and expanding businesses must create the minimum of ten jobs within three years of starting operations or completing the capital investment, and must maintain those jobs for at least an additional three years. This change means that expanding businesses are no longer required to create the greater of five new jobs or the equivalent of ten percent of the existing workforce at the time of application. Staff felt the current requirement on expanding businesses puts them at an unfair disadvantage, in comparison to new-to-market businesses, if the expanding business would have more than 110 employees at the time of application and therefore required to create a minimum of 11 jobs. Under the existing program, new-to-market (previously known as relocating) businesses are only required to create ten new jobs regardless of their workforce size.
- Removes reference to the Return on Investment as incentive amounts are explained further in the ordinance in Section 2-1258.
- Verification of the capital investment must be performed by County staff from various sources provided by the Company, the Tax Collector's records, or any other sources. The Company, if so requested by the County, must provide an audited financial statement to verify the final capital investment costs.
- Adds language stating that the County shall withhold incentive funds if the Company is delinquent in paying its County taxes; further adds language that the incentive award shall be cancelled, and the Company disqualified from participating in the TJIF program, if the Company has been delinquent in paying its taxes for over one year.

Section 2-1256 – Application Process

- Extends the period for which an interested business can submit an application to The Beacon Council from September 30, 2010 to September 30, 2020.
- Continues the requirements of confidentiality in accordance with Sections 288.075 and 288.1066 of the Florida Statutes; however, the language has been clarified.

- Clarifies the language regarding any business decisions committing the company to a location in Miami-Dade County and the applicable waivers.
- Specifies that The Beacon Council shall prepare its recommendation and include an economic analysis using a professionally accepted econometric model. Currently, there is no requirement to use a professionally accepted econometric model in the preparation of an economic analysis.
- Adds language that the County's Chief Economist, at the request of The Beacon Council, the Mayor, or the Mayor's designee, can also perform an economic analysis using a professionally accepted econometric model.

Section 2-1257 – Approval Process

- Removes the TJIF Committee as an entity that can review an application recommended by The Beacon Council, but now states that County staff required to review such an application recommended by The Beacon Council must include, but is not limited to, the County's Office of Economic Development and International Trade, a representative from the Office of Strategic Business Management, and any other staff deemed necessary by the Mayor or the Mayor's designee.
- Removes reference to the Return on Investment as incentive amounts are explained further in the ordinance in Section 2-1258.

Section 2-1258 – TJIF Incentives

- Continues the requirement that a TJIF company must agree to create at least 10 jobs and make a significant amount of capital investment to receive the incentive. The number of jobs to be created will vary depending on each TJIF application/agreement.
- Adjusts the way incentives are calculated. Under the present TJIF program, the incentive amount can be calculated on the basis of either the number of jobs created or the amount of total capital investment. The TJIF award, regardless of whether it is based on the calculation of jobs created or the project's capital investment, cannot exceed more than the incremental revenues generated by the TJIF project over the same six-year payout period. The change to the TJIF program would allow for the calculation of the maximum incentive award based on a percentage of the total capital investment and not the number of jobs created. This recommendation is based on three reasons:
    1. Businesses that create a large number of jobs, but do not make a significant capital investment, cannot realize the total amount offered on a per job basis because their incentive is capped by amount of revenues generated by the capital investment.
    2. Businesses that create a large number of jobs, and also make a large capital investment, usually receive the maximum incentive award based on the capital investments and not the number of jobs created.
    3. Businesses receiving this incentive must still create the number of jobs set forth in the Board approved TJIF application/agreement even though the incentive amount is not calculated based on the number of jobs created. If a company agrees to create 25 new jobs pursuant to the TJIF application/agreement, then it must create that set number to receive the incentive award.
- Changes the TJIF incentive over the six-year period subsequent to the taxable value of the Capital Investment appearing on the tax roll, and in each year that the application/agreement is in effect, to no more than 1.7 percent of all real property capital investments and no more than 1.15 percent of all tangible personal property capital improvements plus any of the following applicable bonuses:
    1. An additional 0.25 percent if the Project is a Miami-Dade County "green certified" business.
    2. An additional 0.10 percent if the TJIF project is located within a DPA.

3. An additional 0.05 percent if the Project is located in a "green certified" building under one of the following certification systems: a) U. S. Green Building Council Silver-level certified building under the New Construction, Core and shell, Healthcare, Retail, Commercial Interior, Retail Interior, Existing Building or equivalent applicable LEED rating, or comparable third party certification; or b) Green Globes 3 globes-level certified building under the New Construction or Continual Improvement of Existing Building rating.
4. An additional 0.05 percent if the TJIF Project's principal business activity is in the manufacturing, installation, and repair of Solar Thermal and Photovoltaic energy production or other clean energy products.

- Continues the following requirements under the existing TJIF Program:
  1. A company may not receive award payments of more than 25 percent of the total awards specified in the approved application/agreement in any fiscal year even if all the new jobs are created in one year.
  2. A company may not receive more than $1.5 million in awards in any single fiscal year or more than $2.5 million in any single fiscal year if the project is located in a DPA.
  3. A Company may not receive more than $5 million in award payments in all fiscal years, or more than $7.5 million if the project is located in a DPA.
- Adds language that the Board, at its discretion, may waive the applicable total award cap mentioned immediately above at the request and recommendation of The Beacon Council and the County Mayor or the County Mayor's designee. However, in no event shall the total award exceed the amount of countywide ad valorem property taxes paid in as a result of the project.
- Continues the requirement that a company must always generate at least as much revenue as it receives in combined County incentive funds from the QTI, TJIF, and Enterprise Zone programs.

Section 2-1259 – Source, Claim Period, and Disbursement of TJIF Incentives

- Clarifies that the incentive award disbursement will begin in the County's fiscal year following the capital investment appearing on the tax roll.
- Confirms that no incentive amounts shall be disbursed after the last year set forth in the TJIF application/agreement and the Board approved Resolution.
- Adds language that an adjustment in the taxable value of the TJIF Project's capital investment subsequent to the submission of an application and disbursement of a TJIF award may reduce the company's allowable incentive below the amount specified in the Board approved TJIF application/agreement. When such an event occurs, the company will reimburse the County any difference between the amount of TJIF incentive disbursed and the allowable TJIF award based on the adjusted taxable value.

Section 2-1260 – Sunset Provision

- Deletes the sunset provision for this program. Interested companies can apply through September 30, 2020 under this proposal. This program will come to an end upon the final disbursement of incentive funds to the last business that applied by the September 30, 2020 deadline.

The changes to the existing TJIF Program are anticipated to increase business activity in the County, and continue to competitively and aggressively promote job creation and significant capital investments.

Attachment

Tony Ojeda, Director
Office of Economic Development and International Trade

MEMORANDUM

(Revised)

TO: Honorable Chairman Joe A. Martinez and Members, Board of County Commissioners

DATE:

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

SUBJECT: Agenda Item No.

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. 4(C)

12-7-10

ORDINANCE NO. _____

ORDINANCE AMENDING SECTIONS 2-1252, 2-1253, 2-1254, 2-1255, 2-1256, 2-1257, 2-1258, 2-1259 AND 2-1260 OF THE CODE OF MIAMI-DADE COUNTY, FLORIDA, RELATING TO THE TARGETED JOBS INCENTIVE FUND (TJIF) PROGRAM; ADDING AND DELETING DEFINITIONS, MODIFYING PROGRAM REQUIREMENTS, MODIFYING PROGRAM INCENTIVES, EXTENDING THE APPLICATION PROCESS THROUGH SEPTEMBER 30, 2020, AND DELETING THE SUNSET PROVISION; AND PROVIDING SEVERABILITY AND EFFECTIVE DATE

WHEREAS, this Board recognizes the need to stimulate economic development in Miami-Dade County and particularly in certain economically depressed areas; and

WHEREAS, this Board desires to encourage economic growth and development, the creation of above average paying jobs, the alleviation of economic disinvestment and unemployment, and the creation of an enhanced business climate particularly in distressed targeted areas; and

WHEREAS, this Board finds that the modifications to the Targeted Jobs Incentive Fund Program would further enhance the existing Program and stimulate economic development and revitalization in Miami-Dade County; and

WHEREAS, this Board finds that the modifications to the Targeted Jobs Incentive Fund Program are appropriate and consistent with the public purposes to promote a healthy and sustainable economy and eliminate distressed economic conditions,

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF MIAMI-DADE COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA:

Section 1. Sections 2-1252, 2-1253, 2-1254, 2-1255, 2-1256, 2-1257, 2-1258, 2-1259 and 2-1260 of the Code of Miami-Dade County, Florida, are hereby amended to read as follows:

Sec. 2-1252. - Definitions.[1]

As used in this article, unless the context otherwise requires:

a. Average Annual Wage means the average of all wages and salaries in the State of Florida >>or Miami-Dade County, using the most currently available data << as determined by the Florida >>Agency for Workforce Innovation<< [[~~Department of Labor and Employment Security~~]].

b. Capital Investment means the amount of money that a business spends >>on local taxable real and/or tangible personal property, which shall be limited to<< [[~~establishing or enhancing facilities including land,~~]] >>new<< construction, renovation >>of buildings<< and >>new<< equipment >>used in business operations as specified in the TJIF application/agreement<<.

>>c. County Code means the Code of Ordinances of Miami-Dade County.<<

>>d.<< [[~~c.~~]] Company means a business, or employing unit, as defined in Section 443.036, Florida Statutes, which is registered with the Florida >>Agency for Workforce Innovation<< [[~~Department of Labor and Employment Security~~]] for unemployed compensation purposes; or a subcategory or subdivision of an employing unit which is accepted by the >>Agency for Workforce Innovation<< [[~~Department of Labor and Employment Security~~]] as a reporting unit.

>>e.<< [[~~f.~~]] Designated Priority Area or Designated Priority Areas means the Empowerment Zone area as designated by the Board of County Commissioners by Resolution No. R-1028-98 as may be amended, Enterprise Zone areas as designated by the Board of County Commissioners by Ordinances Nos. 0-88-27 and 0-96-74 as well as Resolution>>s<< No. R-492-95 >>and No. R-913-08,<< as may be amended, Targeted Urban Areas designated by the Board of County Commissioners by Ordinance No. 97-33 as may be amended, Brownfields areas as designated by the Board of County

[1]Words stricken through and/or [[double bracketed]] shall be deleted. Words underscored and/or >>double arrowed<< constitute the amendment proposed. Remaining provisions are now in effect and remain unchanged.

Commissioners by Resolution R-767-99 as may be amended, and Community Development Block Grant >>eligible<< areas as designated by the Board of County Commissioners by Resolution No. 618-02 as may be amended.

[[~~e. Economic Impact Model means financial formulae utilized to calculate a project's Return on Investment Incentive and includes the currently employed model used to study State of Florida Qualified Target Industry applications filed with The Beacon Council which includes Ad Valorem and Sales tax components.~~]]

f. Expanding Business or Expanding Businesses means a commercial or industrial business, excluding residential development [[~~,~~]] that increases operations on a site >>in Miami-Dade County<< co-located with a commercial or industrial operation owned by the same business or a site >>in Miami-Dade County<< to which the commercial or industrial operation will relocate or has re-located.

g. Incentive or Incentives means the funds paid to a Company under this TJIF Program by the County.

[[~~h. Incremental Tax Revenue means the increase in return in Public Revenues resulting from additional investment by Expanding Businesses or new-to-market businesses.~~]]

>>h.<< [[~~i.~~]] New Job or New Jobs means jobs created by a local Expanding Business or a >>N<<[[~~n~~]]ew-to->>M<<[[~~m~~]]arket >>B<<[[~~b~~]]usiness which are being added to the Company's >>roster of employees<< [[~~table of organization~~]] and that did not exist within the last twelve (12) months >>prior to the date The Beacon Council submits the Company's application to the County<<.

[[~~j. New Revenue or New Revenues means the increase in return in Public Revenues resulting from additional investment by new-to-market companies or by Expanding Businesses.~~]]

[[~~k. Public Revenue or Public Revenues means revenues to the Countywide General Fund in the form of Sales and Ad Valorem taxes paid by the Company.~~]]

[[~~l. Return on Investment Incentive means the Countywide General Fund portion of Sales and Ad Valorem taxes paid in by a Company divided by the amount of the Incentive paid out to the same Company by the County.~~]]

>>i. New-to-Market Business or New-to-Market Company is an entity that relocates to Miami-Dade County or is a start-up company setting up operations in Miami-Dade County.<<

>>j. South Florida means the region comprised of Miami-Dade, Broward, and Palm Beach counties.<<

[[~~m. Sufficient Incremental Tax Revenue means at a minimum one hundred and twenty (120) percent increase in return in Public Revenues resulting from additional investment by new-to-market businesses or Expanding Businesses, or one hundred and ten (110) percent increase in return in Public Revenues resulting from additional investment by new-to-market businesses or Expanding Businesses in Designated Priority Areas, or one hundred (100) percent increase in return in Public Revenues resulting from additional investment by new-to-market businesses or Expanding Businesses in Designated Priority Areas when jointly recommended by The Beacon Council and the County Manager and the Board of County Commissioners finds such increase is in the public's best interest~~]].

>>k.<< [[~~n.~~]] The Beacon Council means Miami-Dade County's official economic development partnership entity as designated by the Board of County Commissioners per Ordinance No. 87-38.

>>l.<< [[~~o.~~]] >>TJIF Project or Project means the capital investment and the associated new jobs that are the basis of the application for a TJIF award.<<

[[~~(o) Preserving Inducement means an applying company retains TJIF Program eligibility despite company announcement or effectuation of business decisions related to company relocation or expansion that would normally result in application administrative disapproval.~~]]

Sec. 2-1253. - Eligible applicants.

The TJIF Program will only be available to >>New-to-Market<< [[~~c~~]]>>C<<ompanies >>or Expanding Businesses<< [[~~from outside of Miami-Dade County undertaking a relocation to Miami-Dade County and to Miami-Dade County companies undertaking a business expansion.~~]] >>with a minimum Capital Investment of $3 million in Miami-Dade County.<< The TJIF Program will not be available to companies that pay >>any of their<< employees less than the Living Wage Rate as defined in Section 2-8.9 of the Code of Miami-Dade County, as adjusted annually by the Department of >>Small<< Business Development or it[[~~'~~]]s successor department[[~~, or to~~]]>>.<< [[~~c~~]]>>C<<ompanies wishing to relocate to Miami-Dade County from Palm Beach, Broward, and Monroe Counties, respectively, >>are not eligible for the TJIF Program<< except in cases where said companies are otherwise planning to relocate outside of South Florida. Companies planning to relocate outside of South Florida are eligible for [[~~the TJIF inducement~~]] >>this<< program and may be solicited by The Beacon Council in an effort to retain >>the<< business in South Florida.

Sec. 2-1254. - Eligible industries.

>>The TJIF Program is available to companies in the following industries:

a. Advanced Manufacturing;
b. Aviation/Aerospace;
c. Clean Energy including, but not limited to, Solar Photovoltaic and Solar Thermal Energy, Biofuels, Smart Grid Technologies, Energy Storage, and Ocean Energy;
d. Financial/Professional Services;
e. Homeland Security/Defense;
f. Information Technology;
g. Life Sciences;
h. Creative Industries including, but not limited to, Fashion and Lifestyle;
i. Global Logistics;
j. Headquarters including regional headquarters (NAICS Code 5511); and
k. Any industry designated as a "Target industry business" under the State of Florida's Qualified Target Industry ("QTI") program, Section 288.106(1)(o) of the Florida Statutes.

The Board of County Commissioners, at its discretion, may waive the eligible industry requirement at the request and recommendation of The Beacon Council and the County Mayor and County Mayor's designee.<<

[[~~The TJIF Program is available to the following industries:~~

~~a. Corporate Headquarters and Regional Offices;~~
~~b. Research and Development;~~
~~c. Chemical and Allied Products;~~
~~d. Rubber and Miscellaneous Plasters;~~
~~e. Fabricated Metal Products;~~
~~f. Industrial Machinery and Equipment;~~
~~g. Electronic and Other Electric Equipment;~~
~~h. Transportation and Transportation Equipment;~~
~~i. Instrumental and Related Products;~~
~~j. Miscellaneous Manufacturing;~~
~~k. Printing and Publishing;~~
~~l. Wholesale Distribution;~~
~~m. Business Services;~~
~~n. Security and Commodity Brokers;~~
~~o. Insurance Carriers;~~
~~p. Holding and other Investment Offices;~~
~~q. Non-Depository Credit Institutions;~~

~~r. Motion Pictures, Film and Entertainment, Sound Recording and Reproduction;~~
~~s. Communications;~~
~~t. Apparel and Other Textiles;~~
~~u. Lumber and Wood Products;~~
~~v. Furniture and Fixtures;~~
~~w. Paper and Allied Products;~~
~~x. Food Manufacturing;~~
~~y. Stone, Clay, and Glass Products;~~
~~z. Aviation;~~
~~aa. Biomedical;~~
~~bb. Financial Services;~~
~~cc. Computers and Information Technology;~~
~~dd. International Commerce;~~
~~ee. Telecommunications;~~
~~ff. Visitor and Tourism;~~
~~gg. Solar Thermal and Photovoltaic Manufacturing Installation and Repair;~~

~~Other industries not listed above may participate in the TJIF Program with approval from the Board of County Commissioners (Board).~~]]

Sec. 2-1255. - Program requirements.

Companies applying for TJIF incentives must be >>New-to-Market Companies or<< [[~~relocating to Miami-Dade County or be an~~]] Expanding Business>>es.<< [[~~within Miami-Dade County~~. ~~To be eligible for TJIF~~ ~~incentives,~~ ~~a~~]] >>A<<ny company applying for TJIF incentives must pay all of its employees salaries that are no less than the Living Wage Rate as defined by Section 2-8.9 of the Code of Miami-Dade County as adjusted annually by the Miami-Dade County Department of >>Small<< Business Development, or its successor >>department<<. >>Companies receiving TJIF incentives must pay all of its employees no less than the Living Wage Rate to remain eligible for the TJIF program. In addition, the New Jobs promised under the TJIF application/agreement must pay an estimated Average Annual Wage at least equal to the average private sector wage of the County or the statewide private sector average wage. In determining the Average Annual Wage, only New Jobs are to be included and wages for existing jobs shall be excluded from the calculation. The Board of County Commissioners at its discretion may waive the Average Annual Wage requirement upon receipt of a written request and justification from the Beacon Council and the County Mayor or the County Mayor's designee.<<

[[~~Companies relocating to Miami-Dade County~~]] >>New-to-Market or Expanding Businesses<< must create at least ten (10) >>N<<[[~~n~~]]ew >>J<<[[~~j~~]]obs[[~~.~~]] >>within three (3) years of starting operations or completing their Capital Investment commitment

in Miami-Dade County, whichever is later, and maintain those new jobs for an additional three (3) years. County staff, as directed by the County Mayor or the County Mayor's designee, must verify compliance with New Job creation and wage requirements as specified in the Board of County Commissioners approved TJIF application/agreement prior to any disbursement of a TJIF incentive. The Company must agree to furnish all documents necessary for staff to verify the Company's compliance with the New Job and salary requirements pursuant to the TJIF application/agreement.<< [[~~Expanding Businesses must create the greater of a minimum of five (5) new jobs or at least ten (10) percent of the company's work force at the time of application.~~]]

>>The<< [[~~A~~]] Company's Capital Investment must generate >>economic growth within Miami-Dade County and strengthen Miami-Dade County's tax base over the period for which the TJIF incentive is provided. The Capital Investment must be verified by County staff, as directed by the County Mayor or the County Mayor's designee, from a review of information available from the Company, the Tax Collector's records or any other sources prior to disbursement of a TJIF incentive award. The Company must furnish an independently audited financial accounting to verify the Capital Investment, when the County so requests, as provided in Section 2-1259.

Where a Company is delinquent in paying its County taxes the County shall withhold Incentive funds until the Company is current on such taxes. Where a Company is more than one (1) year delinquent in paying such taxes, the Company's TJIF award shall be canceled and the Company shall be disqualified from participating in the TJIF program.<< [[~~Sufficient Incremental Tax Revenue to the County to fund the TJIF award. Incremental Tax Revenue generated by the project shall be determined by using the Economic Impact Model and an analysis by both The Beacon Council and County staff. The project must show a Return on Investment Incentive of at least one hundred and twenty (120) percent if the Company is not located in a Designated Priority Area, at least one hundred and ten (110) percent if the Company is located in a Designated Priority Area, and at least one hundred (100) percent if the Company is located in a Designated Priority Area and the Board finds such increase is in the public's best interest and approves said Return on Investment Incentive when jointly recommended by The Beacon Council and the County Manager. Upon County Manager request, the TJIF Committee will determine if the Incremental Tax Revenue is sufficient.~~]]

Sec. 2-1256. - Application process.

Through September 30, [[~~2010,~~]] >>2020<< a company wishing to participate in the TJIF Program will submit an application to The Beacon Council. >>Upon request, a Company's confidentiality will be protected for any information regarding a project's

location and/or expansion evaluation of any site in Florida in accordance with Sections 288.075 and 288.1066 of the Florida Statues. <<

The application [[~~form~~]] will be approved by >>resolution of<< the Board of County Commissioners and all TJIF requirements shall be incorporated therein to ensure all parties comply with the requirements of [[~~a negotiated incentive package~~]] >>this Ordinance<<. An application must be signed by an officer of the applying company. [[~~A provision shall be included in the application to ensure that the Company will reimburse the County for any shortfall in new revenues, Capital Investment and new jobs created in any case where funds have been provided.~~]]

[[~~The applying company, a~~]] >>A<<t the time of application, [[~~must provide verifiable documentation acceptable to the County~~]] >>The Beacon Council will confirm that the Company has provided information and/or documentation<< supporting [[~~it's~~]] >>the Company's<< consideration of other [[~~locales.~~]] >>locations and that the requested TJIF incentive is required for the Company to choose Miami-Dade County as the location of its new operations or expansion.<< Any >>Company decisions committing the Company to a location in the County prior to the Board of County Commissioners approval of the TJIF application/agreement will render a Company ineligible to participate in the TJIF program.<< [[~~business decisions such as announcements, leasing of space, or hiring of employees made prior to the TJIF application approval will result in administrative disapproval of the application and withdrawal from consideration.~~]] >>The County Mayor or the County Mayor's designee may waive this prior decision rule and forward the Company's application to the Board of County Commissioners for consideration upon the written request by the Company to preserve the inducement for a limited time period and the recommendation of The Beacon Council. However, the Board of County Commissioners retains the sole and absolute discretion to approve or deny the Company's application. This prior business decision rule waiver shall not be available to a Company that has already publicly disclosed the intent to locate or expand its operations in Miami-Dade County.<< [[~~However, when such business decision(s) by an applying company has been initiated and the company and The Beacon Council have requested Preserving Inducement, the County Manager may authorize, after review of said request, an application to proceed to the Board for consideration. The "but for" inducement would be preserved for a time period as determined by the County Manager after good cause to grant the preservation has been determined. While any granting of Preserving Inducement affords the opportunity for the applying company to be eligible for participation in the TJIF Program, applicant approval leading to the award of TJIF incentives shall be at the sole and absolute discretion of the Board.~~]] Upon receipt and initial review, The Beacon Council shall contact the County to schedule application presentation to County staff [[~~or to the TJIF Committee when requested by the County~~

~~Manager.~~]] >>as directed by the County Mayor or the County Mayor's designee.<< Within 14 days of receipt of the [[e]]>>C<<ompany's application, The Beacon Council shall prepare its recommendation on the application, including an economic impact analysis utilizing [[~~the Economic Impact Model.~~]] >>a professionally accepted econometric model such as Department of Commerce, BEA RIMS-II; Minnesota Implan Group, IMPLAN V.3; or REMI, Inc, REMI Model PI+. At the request of The Beacon Council or at the direction of the County Mayor or the County Mayor's designee, the analysis and projections of economic and fiscal impacts may be performed by the Office of Economic Development and International Trade, or its successor department, using a professionally accepted econometric model such as those noted above.<< [[~~The economic impact analysis, company application and a recommendation by The Beacon Council will be submitted as part of a presentation to County staff of before the TJIF Committee within fifteen (15) days of receipt of the company's application.~~]] Each Board approved application shall serve as the written agreement between Miami-Dade County and the Company and shall include all application requirements outlined in this Section and, at a minimum, specify:

a. The total number of New Jobs to be created and that will be dedicated to the project, the Average Annual Wage of those jobs, and a time schedule or plan for when such jobs will be in place and active in Miami-Dade County;

b. The projected amount of Capital Investment on the project;

c. The [[~~amount of projected New Revenue~~]] >>fiscal impact<< to the County;

d. The timeframe of when the project will be completed[[~~;~~]] >>and when the Capital Investment will appear on the County tax roll;<<

e. The maximum amount of TJIF awards which the Company is eligible to receive on the project and the maximum amount of TJIF awards that the Company is eligible to receive for each fiscal year;

f. That Miami-Dade County may review and verify the financial and personnel records of the Company and/or perform on site visits to verify employment relating to the New Jobs, [[~~review said financial and personnel records~~]] >>wages paid, and the Capital Investment indicated in the TJIF application/agreement<<, and ascertain whether the Company is in [[~~project~~]] compliance >>with the terms of the application/agreement<<;

g. The date (May 15) by which, in each fiscal year, the Company [[~~may~~]] >>must<< file a claim to be considered to receive a TJIF award in the following County fiscal year;

h. That compliance with the terms and conditions of the approved application/agreement is a condition precedent for the receipt of any TJIF award in a fiscal year and that >>the<< Company>>'s<< failure to comply with the terms and conditions of the approved application/agreement results in the loss of eligibility for receipt of TJIF awards and the revocation by the County [[~~Manager~~]] >> Mayor or the County Mayor's designee<< [[~~or the TJIF Committee~~]] of the certification of the Company as a TJIF >>eligible<< business;

i. [[~~The~~]] >>That<< payment of TJIF [[~~awards~~]] >>incentives<< are conditioned on and subject to specific annual appropriations by the Board sufficient to pay amounts under the approved application/agreement; and

j. That the [[~~awards may be~~]] >>amount of the incentives<< received >>will be based on the incentive levels specified in Sec. 2-1258 of the County Code.<< [[~~based on appropriate taxes, which are Public Revenues, paid in after entering into the application/agreement.~~]]

Sec. 2-1257. - Approval process.

After The Beacon Council provides the application and its recommendation on the application to the County, County staff, [[~~or the TJIF Committee~~]] when requested by the County [[~~Manager,~~]] >>Mayor or the County Mayor's designee,<< shall recommend application approval or denial to the County [[~~Manager.~~]] >> Mayor or the County Mayor's designee. County staff to review the TJIF application shall include, but not be limited to, the County's Office of Economic Development and International Trade, or its successor department, a representative from the Office of Strategic Business Management, or any other staff as determined by the County Mayor or the County Mayor's designee.<< [[~~The composition of the TJIF Committee to be appointed by the County Manager shall consist of representatives from the County Manager's Office, Property Appraisal Department, Finance Department, Office of Management and Budget, Office of Community and Economic Development, Miami-Dade Empowerment Trust, the Urban Economic Revitalization Task Force, the Metro-Miami Action Plan, the State Enterprise Zone Advisory Council, and The Beacon Council or such other composition as determined by the County Manager. Approval shall, in part, be based on an analysis reflecting a Return on Investment Incentive of at least one hundred and twenty (120) percent. In accordance with Sections 288.075 and 288.1066 of Florida Statutes, applicant confidentiality will be protected for any information regarding a project's location and/or expansion evaluation of any site in Florida. After receipt of application including recommendations by The Beacon Council and County staff or the TJIF Committee, the County Manager shall recommend application approval or denial to the Board. The Board may allow a Return on Investment Incentive of at least one hundred and ten (110)~~

~~percent when a project is within a Designated Priority Area and at least one hundred (100) percent when a project is within a Designated Priority Area and the Board approves said Return on Investment Incentive when jointly recommended by The Beacon Council and the County Manager.~~]] Applications will be approved by resolution of the Board. The Board shall have no obligation to approve any application before it. Final determination of an approval of the award of TJIF incentives shall be at the sole and absolute discretion of the Board. Upon any Board approval, ~~[[the applicant will be sent a letter by The Beacon Council stipulating the condition of the approval.~~]] >>The Beacon Council shall send the applicant a letter explaining such approval and any attendant conditions, and request the Company's roster of employees. The Beacon Council will provide a copy of said letter and the roster of employees to the County.<<

Sec. 2-1258. - TJIF incentives.

[[~~The total TJIF award is based on the number of new jobs created and the amount of countywide ad valorem property taxes, excluding debt service, and countywide portion of sales taxes paid per annual amounts addressed in the approved application/agreement.~~]] The >>amount of the<< TJIF award is tentatively ascertained, pending Board approval, during application processing [[~~by entering application information into the Economic Impact Model.~~]] >>and is based on the commitment of Capital Investment in the TJIF project and the commitment of new job creation as specified in the TJIF application/agreement. The actual TJIF award will be determined after the Company has completed its Capital Investment, hires the number of new jobs as specified in the Board of County Commissioners approved TJIF application/agreement, and all other obligations set forth in the application/agreement and the Resolution approving the TJIF award.<< [[~~Miami-Dade County will provide a qualifying Company up to $9,000.00 per new job in TJIF incentives as follows:~~

~~a. Up to $3,000.00 for each new job.~~

~~b. Up to $1,500.00 bonus for each new job if the Company is located in a Designated Priority Area.~~

~~c. Up to $1,500.00 bonus for each new job if the employee resides in a Designated Priority Area.~~

~~d. Up to $1,500.00 bonus for companies that operate their businesses out of buildings or facilities that qualify as "green construction" and/or that incorporates alternative energy systems. Specifically, a company can receive a bonus of up to $1,000.00 if the Company operates its business out of a building or facility which qualifies as "green construction" and is certified through the Leadership in Energy and Environmental Design (LEED) Green Building Rating System by the Florida Green~~

~~Building Council or by the U.S. Green Building Council; and an additional bonus of up to $500.00 if the Company operates its business in a building or facility which incorporates solar thermal, photovoltaic, fuel cell, and/or co-generating energy generation. The alternative energy systems, with the exception of solar thermal, must be grid interconnected to the local utility to qualify.~~

~~e. Up to $1,500.00 bonus, if the company is in the business of Solar Thermal and Photovoltaic Manufacturing, Installation and Repair.~~

~~Consideration for award within a municipality or unincorporated Miami-Dade County will be evaluated and reported to the Board on a case-by-case basis.~~

~~A capital investment TJIF award may be provided to a Company when the minimum number of New Jobs has been created and when new capital investment by and/or for the Company exceeds $3 million in taxable property value. For a period of up to six (6) years (or longer as may be determined by the Board), the Company may receive said capital investment TJIF awards in the amount of eighty (80) percent of the amount of countywide ad valorem property taxes paid in on the subject property and one hundred (100) percent of the amount of countywide ad valorem property taxes paid in on the subject property if it is located in a Designated Priority Area. This award is not applicable to the ad valorem property taxes paid in on the subject property's land value nor to any improvements in place prior to the project.~~]] >>The maximum TJIF award is based on the Project's Capital Investment. For Capital Investment in real property, the incentive over the six (6) year period subsequent to the Project's Capital Investment appearing on the tax roll may not exceed 1.70 percent of the value of the Project's Capital Investment made by the Company, unless the TJIF Project is eligible for the following bonuses:

a. An additional 0.25 percent of the Project's Capital Investment in taxable real property if the project is a Miami-Dade County "green certified" business, as applicable, before the first disbursement.

b. An additional 0.10 percent of the Project's Capital Investment in taxable real property if the Project is located within a Designated Priority Area.

c. An additional 0.05 percent of the Project's Capital Investment in taxable real property if the Project is located in a "green certified" building under one of the following certification systems:

(1) U. S. Green Building Council Silver-level certified building under the New Construction, Core and shell, Healthcare, Retail, Commercial Interior, Retail Interior, Existing Building or equivalent applicable LEED rating, or comparable third party certification;

(2) Green Globes 3 globes-level certified building under the New Construction or Continual Improvement of Existing Building rating.

d. An additional 0.05 percent of the Project's Capital Investment in taxable real property if the Project's principal business activity is in the manufacturing, installation, and repair of Solar Thermal and Photovoltaic energy production or other clean energy products.

For Capital Investment in tangible personal property, the incentive over the six (6) year period subsequent to the Project's Capital Investment appearing on the tax roll, may not exceed 1.15 percent of the Project's Capital Investment made by the Company, unless the TJIF Project is eligible for the following bonuses:

a. An additional 0.25 percent of the Project's Capital Investment in tangible personal property if the project is a Miami-Dade County "green certified" business, as applicable, before the first disbursement.

b. An additional 0.10 percent of the Project's Capital Investment in tangible personal property if the Project is located within a Designated Priority Area.

c. An additional 0.05 percent of the Project's Capital Investment in tangible personal property if the Project is located in a "green certified" building under one of the following certification systems:

(1) U. S. Green Building Council Silver-level certified building under the New Construction, Core and shell, Healthcare, Retail, Commercial Interior, Retail Interior, Existing Building or equivalent applicable LEED rating, or comparable third party certification;

(2) Green Globes 3 globes-level certified building under the New Construction or Continual Improvement of Existing Building rating.

d. An additional 0.05 percent of the Project's Capital Investment in tangible personal property if the Project's principal business activity is in the manufacturing, installation, and repair of Solar Thermal and Photovoltaic energy production or other clean energy products.<<

A Company may not receive award payments of more than twenty-five (25) percent of the total awards specified in the approved application/agreement in any fiscal year even if all the New Jobs are created in one (1) year. Further, a Company may not receive more than $1.5 million in awards in any single fiscal year, or more than $2.5 million in any single fiscal year if the project is located in a Designated Priority Area. A Company may not receive more than $5 million [[~~(or a higher amount as determined by~~

~~the Board for any company funded from this Program after June 1, 2005)~~]] in award payments in all fiscal years, or more than $7.5 million [[~~(or higher amount as determined by the Board for any company funded from this Program after June 1, 2005)~~]] if the project is located in a Designated Priority Area. >>The Board of County Commissioners, at its discretion, may waive the applicable $5 million or $7.5 million total award cap at the request and recommendation of The Beacon Council and the County Mayor or the County Mayor's designee. However, in no event shall the total award exceed the amount of countywide general fund ad valorem property taxes paid in as a result of the Project.<< [[~~Further, the total award is capped by the lower of the above or the total of the applicable ad valorem property and sales taxes paid in as a result of the project. Additionally, a Company cannot receive both a TJIF award and Enterprise Zone Tax Abatements unless the TJIF award is in excess of the Abatement; a Company cannot receive both the TJIF award on large capital investment taxes paid in and the TJIF regular ad valorem property tax funded award; and,~~]] >>W<<[[~~w~~]]hile a Company can receive [[~~both a tax refund~~]] >>funds<< under >>the County's Enterprise Zone Program under Sec. 29-81, et al. of the County Code,<< the State of Florida Qualified Target Industry Program and [[~~a TJIF award at the same time, it cannot receive more than an amount equal to what it has paid in under the project at any time.~~]] >>the County's TJIF Program in the same year, the County's total incentive award under all three programs is capped at the maximum TJIF award as specified in Sec. 2-1258.<<

Sec. 2-1259. - Source, claim period and disbursement of TJIF incentives.

[[~~Incremental Tax Revenue generated by the companies locating or expanding within the County shall fund the program.~~]] Annual disbursement>>s<< will be contingent on the verification of the new jobs created, >>and<< the Capital Investment made by the Company [[~~or on behalf of the Company and the new revenue generated to the County~~]]. >>Disbursement<< [[~~Dispersement~~]] will [[~~be~~]] >>begin<< in the County fiscal year following the [[~~activity~~]] >>Project's Capital Investment appearing on the tax roll. The County's fiscal year runs from October 1 through September 30 of the following calendar year.<< [[~~The year that will be applicable for consideration of taxes paid in resulting in Incremental Tax Revenue shall be April 1 through March 31.~~]] Companies will be monitored >>annually<< to ensure compliance with the projected number of new jobs, >>the wages associated with the new jobs, and<< the Capital Investment [[~~to be made and the new revenue generated to the County~~]]. [[~~Payment~~]]>> Disbursements<< to the Company will only be made after it has >>met all commitments as set forth in the TJIF application/agreement and the Board approved TJIF Resolution, and disbursements are limited in each year of the disbursement schedule approved in the TJIF Resolution to amounts set forth in Sec. 2-1258. No Incentive amounts shall be disbursed after the last fiscal year set forth in the TJIF application/agreement and the Board approved TJIF Resolution.<< [[~~achieved all economic benchmarks. A Company's Incremental Tax~~

~~Revenue paid to the County must be sufficient to fund the Company's award. For the purposes of the TJIF Program, any applicable uncontested taxes paid in because of the project, whether paid directly by the Company or as passed through another company (i.e., in the case where a Company pays ad valorem property taxes, effectively, via a landlord), solely accrue to the award benefit of the Company in the TJIF Program.~~]]

To be eligible to claim any award under the TJIF Program, a Company that has entered into an approved application/agreement must annually apply to the County by May 15 for such award. An appropriation, if made by the Board, will be paid in the County fiscal year that begins on October 1 following the May 15 claims-submission date. The claim for award must include a copy of all [[~~receipts pertaining to the payment of taxes for which the award is sought and data related to achievement of each performance items specified~~]] >>documents that allow the County to verify compliance with all the terms and the Company's commitments set forth<< in the >>Board of County Commissioners' Resolution approving the TJIF incentive award and the accompanying<< approved application/agreement. >>At the County's request the Company shall provide, at its own expense, an independently-audited financial accounting to verify the amount and nature of the Company's Capital Investments in the Project.<<

The County >>Mayor or the County Mayor's designee<< [[~~Manager~~]] shall designate >>the Office of Economic Development and International Trade, or its successor department,<< [[~~staff~~]] to administer the TJIF Program and determine Company compliance. Any awards determined to be due to Companies and processed by said designated staff shall require written approval of such staff and funds issuance authority by the Office of [[~~Management and Budget and the County~~ ~~Manager's Office~~]] >>Strategic Business Management, or its successor department, and the County Mayor or the County Mayor's designee.

An adjustment in the taxable value of the Project's Capital Investment subsequent to the submission of an application and disbursement of a TJIF award may reduce the Company's allowable incentive below the amount specified in the Board of County Commissioners approved TJIF application/agreement. When such an event occurs, the Company will reimburse the County any difference between the amount of TJIF Incentive disbursed and the allowable TJIF award based on the adjusted taxable value.<<

[[Sec. 2-1260. - Sunset.

~~This article shall sunset ten (10) years after its creation.~~]]

Section 2. Invalidity. If any section, subsection, sentence, clause or provision of this ordinance is held invalid, the remained of the ordinance shall not be affected by such invalidity.

Section 3. Provisions of this Ordinance. It is the intention of the Board and it is hereby ordained that the provisions of this ordinance shall become and made part of the Code of Miami-Dade County, Florida. The sections of this ordinance may be renumbered or relettered to accomplish such intention, and the word "ordinance" may be changed to "section", "article", or other appropriate word.

Section 4. Effective Date. This ordinance shall become effective ten (10) days after the date of enactment unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

PASSED AND ADOPTED:

Approved by County Attorney as to form and legal sufficiency:

Prepared by:

Rachel Wilhelm