



MEMORANDUM

Agenda Item No. 8(N)(1)

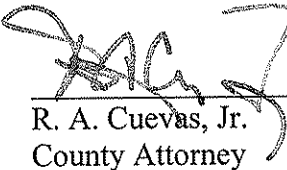
TO: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

DATE: December 6, 2011

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

SUBJECT: Resolution approving Confidential
Project No. 11-00246 as a qualified
target industry business pursuant
to Florida Statute 288.106 and
providing an appropriation of up
to \$36,400 from General Revenue
Funds

The accompanying resolution was prepared by the Sustainability, Planning and Economic Development Department and placed on the agenda at the request of Prime Sponsor Commissioner Rebeca Sosa.



R. A. Cuevas, Jr.
County Attorney


RAC/up

Memorandum



Date: December 6, 2011

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

From: Carlos A. Gimenez
County Mayor 

Subject: Resolution Approving Qualified Target Industry Tax Refund for Confidential
Project 11-00246

Recommendation

The Beacon Council, on behalf of a firm that requests confidentiality, has submitted an application for economic development incentives from the State of Florida (State) and Miami-Dade County that require approval from the Board of County Commissioners (BCC). It is recommended that the BCC approve the attached resolution authorizing Confidential Project 11-00246 (the "Business") to be recognized by the State as a Qualified Target Industry (QTI) business and entitled to the financial benefits afforded under the QTI tax refund program.

The attached documents relating to the application of a tax refund under the Florida QTI business incentive program, pursuant to Florida Statutes Section 288.106, have been prepared by The Beacon Council and reviewed by the Sustainability, Planning, and Economic Enhancement Department.

The anticipated dates for job creation and disbursement of incentive awards are set forth in the Resolution but are subject to change at the direction of the County Mayor or the County Mayor's designee.

Scope

The business operations of this project will create 70 new full-time equivalent jobs, as defined in Florida Statute Section 288.106, over a three-year period. The district location of this project has not been determined; however, the jobs will have a positive countywide impact through indirect employment and a multiplier effect.

This Business is considering leasing and renovating approximately 25,000 square feet of an existing building in Miami-Dade County to establish its regional headquarters. The Business is also considering Chicago, Illinois as a potential location for this expansion.

Fiscal Impact / Funding Source

Confidential Project 11-00246 has applied for a total of \$182,000 in QTI funds, of which 80 percent (\$145,600) would be provided by the State. If the accompanying resolution is approved by the BCC, the County is committed to providing an award of no greater than \$36,400 (or \$520 per new job) in matching funds from countywide general fund revenues over a six-year period beginning in FY 2013-2014.

Track Record/Monitor

QTI funds awarded for job creation are provided on a matching basis upon the State invoicing the County for jobs created and verified by the State. The State effectively monitors the creation of the QTI jobs and provides such information to the County. The County's matching funds are distributed only if the applicant complies with the commitment to create the number of new jobs indicated in the accompanying QTI application (see Attachment to the General Project Overview) and all other

conditions of the incentive program. QTI incentive payments are contingent upon the company meeting its target of additional jobs.

Economic Impact Overview

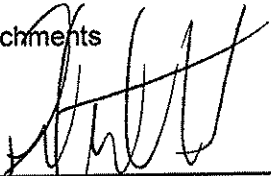
The Business is a beverage manufacturing and distribution company with operations in the Midwest and in Latin America with annual sales of \$7 billion. The Business is considering relocating its Latin American Headquarters to Miami-Dade County.

Confidential Project 11-00246 would be an expanding beverage manufacturing and distribution company seeking to establish its regional headquarters (NAICS Code # 551114) in Miami-Dade County. The Business would employ 70 new workers at its Miami-Dade County facility paying an average annual salary of \$88,000, which represents over 200 percent of the state average wage. Employee benefits associated with each new job created will be \$30,000 according to documents submitted by The Beacon Council.

If approved, the Business plans to commit to an investment of \$2.16 million, of which \$1,500,000 is allocated to construction/renovation, and \$660,000 to computer and office equipment.

The Beacon Council projects that the \$2.16 million in direct investment by the Business and the local economic impact from operations will generate approximately \$44,121 in countywide general fund revenues to Miami-Dade County over the six years the company is eligible for QTI cash incentives.

Attachments



Deputy Mayor

PROJECT 11-00246 SUMMARY SHEET

APPLICANT:	Confidential Project #11-00246
HEADQUARTERS LOCATION:	Miami-Dade County (proposed)
PROPOSED LOCATION IN MIAMI-DADE COUNTY:	TBD
OTHER LOCATIONS UNDER CONSIDERATION:	Chicago, Illinois
DATE OF QTI/TJIF APPLICATIONS:	October 26, 2011
OVERALL BUSINESS ACTIVITY/MISSION:	To lease and renovate a 25,000 square feet (approximately) office space
PROPOSED LOCAL BUSINESS ACTIVITY:	Regional Headquarters (Latin American)
PROPOSED CAPITAL INVESTMENT:	\$2.16 million
TARGETED QTI/TJIF INDUSTRIES:	Regional Headquarters for a beverage manufacturing and distribution company
PROPOSED LOCATION IN DESIGNATED PRIORITY AREA:	No
NEW BUSINESS OR EXPANDING BUSINESS:	Expansion
TOTAL NUMBER OF DIRECT JOBS TO BE CREATED/RETAINED:	70
EFFORT IN HIRING RESIDENTS IN LOCAL AREA:	unknown
ESTIMATED ANNUALIZED AVERAGE WAGES FOR NEW JOBS:	\$88,000
ANNUAL EMPLOYEE BENEFIT PACKAGE:	\$30,000 (not a condition of incentive award)
NUMBER OF INDIRECT JOBS TO BE CREATED:	70
NUMBER OF YEARS TO CREATE NEW JOBS:	3
MAXIMUM TAX REFUND PER JOB DIRECT JOBS CREATED:	\$2,600
MAXIMUM INCENTIVE AWARD APPLIED FOR:	\$182,000
PROJECTED INCREMENTAL COUNTY TAX REVENUE:	\$44,121
COUNTY'S MAXIMUM 20% QTI AWARD:	\$36,400
STATE'S MAXIMUM 80% QTI AWARD CONTRIBUTION:	\$145,600
TYPE OF FUNDS REQUESTED IN APPLICATION:	Countywide General Fund Revenues
COMMENTS: This summary sheet prepared by SPEED from information and data provided by the Beacon Council.	



MEMORANDUM

(Revised)

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

DATE: December 6, 2011

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

SUBJECT: Agenda Item No. 8(N) (1)

Please note any items checked.

- "3-Day Rule" for committees applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous____) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(N)(1)
12-6-11

RESOLUTION NO. _____

RESOLUTION APPROVING CONFIDENTIAL PROJECT NO. 11-00246 AS A QUALIFIED TARGET INDUSTRY BUSINESS PURSUANT TO FLORIDA STATUTE 288.106; CONFIRMING THAT THE COMMITMENTS OF LOCAL FINANCIAL SUPPORT NECESSARY FOR CONFIDENTIAL PROJECT NO. 11-00246 EXIST; AND PROVIDING AN APPROPRIATION OF UP TO \$36,400 FROM GENERAL REVENUE FUNDS AS LOCAL PARTICIPATION IN THE STATE OF FLORIDA QUALIFIED TARGET INDUSTRY TAX REFUND PROGRAM FOR FISCAL YEARS 2013 THROUGH 2019, INCLUSIVE, OR OVER A TIME PERIOD AS DETERMINED BY THE STATE OF FLORIDA IN ITS APPROVAL OF CONFIDENTIAL PROJECT NO. 11-00246; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, Economic Impact Overview, and General Project Overview (attached) copies of which are incorporated herein by reference; and

WHEREAS, this Project commits to creating an additional 70 full-time equivalent jobs, as defined in Florida Statute Section 288.106, to Miami-Dade County by December 31, 2014 with an average salary of \$88,000, which is at least 200 percent of the state average wage; and

WHEREAS, the tax refund may be prorated by the State of Florida pursuant to the terms of the General Project Overview in the event the Project creates fewer than 70 full-time equivalent jobs,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board hereby finds that attracting, retaining and providing favorable conditions for the growth of target industries provides quality employment opportunities for residents of the County and enhances the County's economic foundations and recommends that Confidential Project No. 11-00246 (the

“Business”) be approved as a qualified target industry business pursuant to Florida Statute 288.106, which created the Qualified Target Industry Tax Refund Program.

The necessary commitment of local financial support for Confidential Project No. 11-00246 as required under Florida Statute 288.106, exists in an amount not to exceed \$36,400 from General Revenue Funds; and that this local financial support will be available in the following increments:

Fiscal Year 2013 - 2014	\$6,067.00
Fiscal Year 2014 - 2015	\$6,067.00
Fiscal Year 2015 - 2016	\$6,067.00
Fiscal Year 2016 - 2017	\$6,067.00
Fiscal Year 2017 - 2018	\$6,066.00
Fiscal Year 2018 - 2019	\$6,066.00
TOTAL	\$36,400

Or payable over a time period and at annual amounts as determined by the State of Florida in its approval of Confidential Project No. 11-00246 application, as long as the \$36,400 is not exceeded with the provision that any tax abatement granted to Confidential Project No. 11-00256, under Florida Statute 196.1995, reduces any QTI tax refund by the amount of any such abatement granted, in compliance with Florida Statute 288.106(6)(d); the County’s funds will be paid to the Florida Economic Development Trust Fund with the stipulation that these funds are intended to represent the “local financial support” required by Florida Statute 288.106 for Confidential Project No. 11-00246 in compliance with the QTI Program, including the requirement that at the Business expand by or through additions to real and personal property, resulting in the net increase in employment of 70 full-time equivalent jobs, unless prorated by the State pursuant to the General Project Overview.

The necessary commitment of local financial support shall be contingent on Confidential Project No. 11-00246 maintaining the jobs during the life of the incentive and ensuring that its

hiring practices aspire to be consistent with and reflect the diversity of the Miami-Dade County community.

The anticipated dates for job creation and disbursement of incentive awards are subject to change at the direction of the County Mayor or the County Mayor's designee if in the best interest of the County.

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:

- | | |
|----------------------|-------------------------------------|
| | Joe A. Martinez, Chairman |
| | Audrey M. Edmonson, Vice Chairwoman |
| Bruno A. Barreiro | Lynda Bell |
| Esteban L. Bovo, Jr. | Jose "Pepe" Diaz |
| Sally A. Heyman | Barbara J. Jordan |
| Jean Monestime | Dennis C. Moss |
| Rebeca Sosa | Sen. Javier D. Souto |
| Xavier L. Suarez | |

The Chairperson thereupon declared the resolution duly passed and adopted this 6th day of December, 2011. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

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

HARVEY RUVIN, CLERK

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.



Brenda K. Neuman



THE BEACON COUNCIL

RECEIVED OEDIT
OCT 26 2011
EXEC. DIR. OFFICE

11-10-26-147

Miami-Dade
County's
Official
Economic
Development
Partnership

October 26, 2011

Ms. Freenette Williams
Business Development Specialist
OEDIT, Miami-Dade County
Stephen P. Clark Center
111 NW 1st Street, Suite 2200
Miami, FL 33128

80 Southwest
Eighth Street
Suite 2400
Miami, Florida
33130
T: 305.579.1300
F: 305.375.0271
www.beaconcouncil.com

Re: **Confidential Project 11-00246**

Dear Ms. Williams:

Enclosed you will find a revised application for the State of Florida's Qualified Targeted Industry Tax Refund Program (QTI). Confidential Project #11-00246 is a major beverage producer which is considering relocating its Latin American Headquarters operations.

The company is applying for the QTI program and will create 70 new jobs over a 3-year period with an average salary of \$88,000 and is committed to a new capital investment of \$2,160,000 in Miami-Dade County.

We are referring this application to your office for review and preparation of a resolution to the Miami-Dade Board of County Commissioners requesting a maximum of \$40,600, representing Miami-Dade's 20% QTI portion, to be paid over a period of six years. Attached is the project briefing book as well as the economic impact analysis prepared by The Beacon Council's Research Department.

We are requesting that the item be placed on the next Agenda of The Economic Development and Social Services Committee (EDSS).

As discussed, the following are the minor changes made to the Qualified Targeted Industry (QTI) application. These changes were made to better describe the project and provide more detail.

On the Executive Summary and Impact Analysis, changes were made to the average salary, reducing it from \$100,000 to \$88,000.

Ms. Freenette Williams
October 26, 2011
Page 2



On the General Project Overview State document, the changes are as follows:

Page 3 of 9 | Question 2. D.: Answer to the question was expanded

Page 3 of 9 | Question 2. E.: Answer changed from Manufacture & distribution of beverages to Regional Headquarters

Page 3 of 9 | Question 2. F.: Business Unit Activities was changed from Management and Administrative Support to Regional Headquarters. The NAICS code was added, project function changed to 100% and annualized wage changed to \$88,000.

Page 4 of 9 | Question 2. K.: Answer was changed from 100% to 0%

Page 4 of 9 | Question 3. C.: Answer changed from \$100,000 to \$88,000

Page 4 of 9 | Question 3. B.: Answer changed from N/A to None

Page 5 of 9 | Question 4. A.: Answer was expanded to include "Renovations (Remodeling) of space"

Page 5 of 9 | Question 4. E.: Answer was blank; it now states "None"

Page 6 of 9 | Question 5. F.: Answer was blank; it now states "None"

Page 6 of 9 | Question 6. D.: Answer was blank; it now states "None"

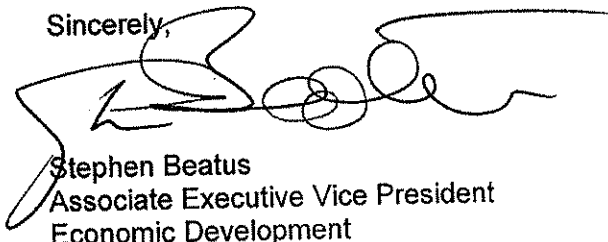
On the Qualified Target Industry Tax Refund Attachment to the General Project Overview, the changes are as follows:

Page 1 of 2 | Question 1. C.: The average wage benchmark which the company will be measured by has changes to \$88,000 which is the highest measurable benchmark and more than 200% of the State average wage.

We ask that you please replace the originally submitted application with the attached application. Please note that none of these changes had any bearing on the incentive amount and only provides a more clean and detailed overview of this project.

We look forward to working together for the benefit of the economic development of Miami-Dade County. If you have any questions, please contact me at (305) 579-1343.

Sincerely,



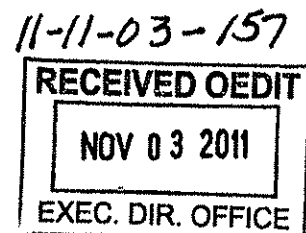
Stephen Beatus
Associate Executive Vice President
Economic Development

Enclosure(s)

Florida Qualified Target Industry Tax Refund (QTI)

**Confidential Project
11-00246**

**Prepared by the Beacon Council
October 2011 (Initially)
November 2011 (Revised)**



Executive Summary for Confidential Project 11-00246

Background

The company is the Latin American headquarters for a beverage manufacturer and distributing company.

The company is relocating their regional headquarters to Miami-Dade County or to available sites in Chicago, Illinois. Incentives will be used to offset the costs of a new facility in Miami-Dade County.

The project will create 70 direct new jobs with an average annualized salary of \$88,000 in Miami-Dade County over a 3-year period and make a new capital investment of \$2,160,000. The average salary of \$88,000 represents over 200% of the State average wage. New employees will be sourced from the local community and relocated from the company's Latin American operations.

The application of Confidential Project 11-00246 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 \$36,400 to be paid by the County over a period of six years and provides a positive cost-benefit ratio to the County of 1:1.21

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.

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 (2011) were used.
- This latest millage rate was used for the entire 6-year period analysis.

Conclusions

Based on the projected investment of \$2,160,000 in new real property, the project's 6-year property tax revenue from this expenditure will be: \$44,121 and Miami-Dade County's net revenue benefit is: \$7,721.

INCENTIVE PROPOSAL SUMMARY:

**Confidential Project
11-00246**

Project Summary:	
Project Name	Confidential Project 11-00246
New Jobs	70
Average Salary	\$88,000
New Capital Investment	\$2,160,000
New Square Footage	25,000 (approx.)
QTI Breakdown:	
Miami-Dade County Incremental Tax Revenue	\$44,121
QTI Miami-Dade County Match (20%)	\$36,400
Net Revenue Benefit to Miami-Dade	\$7,721
Total Cost-Benefit Ratio	1:1.21

INCENTIVE PROPOSAL CHECKLIST

Confidential Project #11-00246

1. Enterprise Zone:	No
2. Number of New Jobs Projected:	70
3. Average Salary per Job:	\$88,000
4. New Capital Investment:	\$2,160,000
5. New Square Footage:	25,000
6. Per Job Incentive:	\$2,600

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

70 New Jobs Over 3 Years

TOTAL QTI TAX REFUND

1. State of Florida Portion (80%)	\$145,600
2. Miami-Dade County Match (20%)	\$36,400
Total QTI Tax Refund Proposal	\$182,000

RETURN ON INCENTIVE INVESTMENT (ROI)

1. Miami-Dade County Incremental Tax Revenue*	\$44,121
2. Total Miami-Dade County (20%) QTI Match	\$36,400
3. Miami-Dade County Net Revenue Benefit	\$7,721
Total ROI Gain/Loss/Breakeven	1.21

* See Economic Impact Model

SUMMARY OF ECONOMIC IMPACT

Confidential Project #11-00246

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	70
Indirect Employment	35
Total Employment Gain	105

Income from Wages

Direct Employment	\$37,632,205
Indirect Employment	\$9,408,051
Total Income Gain	\$47,040,256

Revenue to Miami-Dade County

Total Property Taxes	\$44,121
Total Local Sales Taxes	\$0
Total Tax Revenue Gain	\$44,121
Total Miami-Dade County (20%) QTI Match	\$36,400
Miami-Dade County Net Revenue Benefit	\$7,721

THE BEACON COUNCIL ECONOMIC IMPACT MODEL

Confidential Project #11-00246

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	TOTAL
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EMPLOYMENT

Total Direct Jobs	50	65	70	70	70	70	
Indirect Employment	25	33	35	35	35	35	
<u>TOTAL EMPLOYMENT</u>	75	98	105	105	105	105	

INCOME (\$1,000)

WAGES & SALARY							
Total Direct Wages	\$4,400.0	\$5,891.6	\$6,535.1	\$6,731.2	\$6,933.1	\$7,141.1	\$37,632.2
Total Indirect Wages	\$1,100.0	\$1,472.9	\$1,633.8	\$1,682.8	\$1,733.3	\$1,785.3	\$9,408.1
TOTAL WAGES & SALARIES	\$5,500.0	\$7,364.5	\$8,168.9	\$8,414.0	\$8,666.4	\$8,926.4	\$47,040.3
<u>TOTAL INCOME</u>	\$5,500.0	\$7,364.5	\$8,168.9	\$8,414.0	\$8,666.4	\$8,926.4	\$47,040.3

INCREMENTAL PROPERTY TAXES (\$1,000)

Building & Equipment Taxes

TOTAL PROPERTY TAXES	\$33.8	\$32.4	\$31.3	\$30.6	\$30.1	\$28.7	\$187.8
MIAMI-DADE PROPERTY TAXES	\$7.9	\$7.6	\$7.4	\$7.2	\$7.1	\$7.0	\$44.1

SALES TAXES (\$1,000)

Available Income	\$5,500.0	\$7,364.5	\$8,168.9	\$8,414.0	\$8,666.4	\$8,926.4	\$47,040.3
Less Federal Income Tax	\$4,400.0	\$5,891.6	\$6,535.1	\$6,731.2	\$6,933.1	\$7,141.1	\$37,632.2
Less Hous, Ins, Prop Tax	\$3,300.0	\$4,418.7	\$4,901.4	\$5,048.4	\$5,199.9	\$5,355.8	\$28,224.2
Less Savings, Life Insur.	\$2,970.0	\$3,976.8	\$4,411.2	\$4,543.6	\$4,679.9	\$4,820.3	\$25,401.7
Less Food, Drugs, Other Non-Tax	\$2,227.5	\$2,982.6	\$3,308.4	\$3,407.7	\$3,509.9	\$3,615.2	\$19,051.3
Avail. Income For Sales Tax	\$2,227.5	\$2,982.6	\$3,308.4	\$3,407.7	\$3,509.9	\$3,615.2	\$19,051.3
State Sales Tax Realized	\$133.7	\$179.0	\$198.5	\$204.5	\$210.6	\$216.9	\$1,143.1
Local Sales Tax Realized	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0

<u>TOTAL SALES TAXES (\$1,000)</u>	\$133.7	\$179.0	\$198.5	\$204.5	\$210.6	\$216.9	\$1,143.1
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TOTAL MIAMI-DADE PROPERTY & SALES TAXES (\$1,000)

	\$7.9	\$7.6	\$7.4	\$7.2	\$7.1	\$7.0	\$44.1
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TOTAL PROPERTY & SALES TAXES (\$1,000)

	\$167.4	\$211.3	\$229.8	\$235.0	\$240.7	\$246.7	\$1,330.9
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THE BEACON COUNCIL ECONOMIC IMPACT MODEL - ASSUMPTIONS

Confidential Project #11-00246

Employment Assumptions

<i>New Direct Permanent Jobs</i>	
Year 1	50
Year 2	65
Year 3	70
Year 4	70
Year 5	70
Year 6	70

Incremental Multiplier 0.50
 * For every 100 direct jobs, 50 indirect jobs will be created. Total multiplier effect is 1.50

Annual Income Assumptions

Yearly Salary, Direct Permanent Job	\$88,000
Indirect Job Salary	\$44,000

Inflation 103%

Capital Investment

	Total Cap. Inv.
Y1 Value	\$1,651,784
Y2 Value	\$1,582,153
Y3 Value	\$1,530,896
Y4 Value	\$1,494,295
Y5 Value	\$1,469,397
Y6 Value	\$1,453,857

Property/Real Estate Taxes

Mill Rate, Less Dade's Revenue	0.01565
Miami-Dade's Revenue Mill Rate	0.00481
Miami-Dade's Total Mill Rate	0.02046

Assessment Value of Real Property (81.6%) 0.816

	Realty Prop.	Equip.
Y1	\$1,224,000	\$427,784
Y2	\$1,242,360	\$339,793
Y3	\$1,260,995	\$269,901
Y4	\$1,279,910	\$214,385
Y5	\$1,299,109	\$170,288
Y6	\$1,318,596	\$135,262

Sales Tax Rates

Calculation: Income Available For Sales Tax

Income Devoted to:	
Federal Income Tax Liability, 20%	0.80
Housing, Insurance, Real Estate Taxes, 25%	0.75
Savings, Life Insurance, 10%	0.90
Food, Drugs, Other Non-Tax Items, 25 %	0.75

Sales Tax Rates

Investment	\$1,500,000	\$660,000
Depreciated		\$538,560

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

Equipment Depreciation 0.20569

GENERAL PROJECT OVERVIEW

Name of Business

Confidential Project 11-00246
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. Legal Name of Applicant:

This should be the entity that will be party to the QTI agreement with the State of Florida. If multiple affiliates are involved in job creation and/or paying taxes, 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 Unit'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 Number¹:

G. Business Unit's Florida Sales Tax Registration Number:

H. Will the business unit or its parent company have Federal Corporate Income Tax liability attributable to this project?

If yes, will there also be State Corporate Income Tax Liability

Yes No

attributable to this project?

Yes No

I. Is the business unit minority owned?

Yes No If yes, explain:

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

K. 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: _____

¹ If multiple unemployment compensation reporting units or multiple worksites are involved, contact Enterprise Florida to discuss this structure or include an attachment listing the additional units and their relationship to the applicant. Business entities not disclosed here may not be party to or count toward the requirements of the contract with the State of Florida.

GENERAL PROJECT OVERVIEW

2. PROJECT OVERVIEW

A. Which of the following best describes this business unit²:

- New business unit to Florida
 Existing Florida business creating and / or retaining jobs³
 _____ If an expansion, how many jobs are currently in the expanding business unit?

B. How many individuals are employed at all Florida locations? 0

C. Are any jobs being transferred from other Florida locations⁴?

Yes No If yes, how many jobs and from where? _____
 Why are these jobs moving and why is it justified in light of the statutory language governing the applicable incentive program(s)?

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:

This company will house the regional/ Latin American operations for a Beverage Manufacturer and Distributor. These operations are across 8 countries with an annual turnover in excess of \$7bn. Florida provides access to Spanish speaking capabilities with convenient access to Latin America. Finally the sophisticated IT and banking infrastructure in Miami will be required to support the management of the operations.

E. In what Targeted Industry(ies) does the proposed project operate?⁵

Regional Headquarters

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

Business Unit Activities	5 Digit NAICS Code(s)	Project Function <small>(total = 100%)</small>	Annualized Wage (\$)
Regional Headquarters	551114	100%	\$88,000
		%	\$

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

Brickell Avenue

Street Address

Miami

FL

City

State

Zip Code

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

Street Address

City

State

Zip Code

H. Is the project location within a current or proposed Brownfield site / area?

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.

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.

⁵ Refer to the QTI Target Industry list.

GENERAL PROJECT OVERVIEW

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?

Possibly, depending on location
in Brickell Avenue

Is the project location in a designated Rural area?

Yes No If yes, which Rural area?

Is the project location in an Urban area⁶?

Yes No 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):

- 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):

0% Explain, if necessary: This will be a regional headquarters, and as such, will not directly generate sales

3. JOB AND WAGE OVERVIEW

A. How many Florida jobs⁷ are expected to be created as part of this project?

70

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)

None

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.)

\$88 000

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

\$30 000

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

Health insurance and 401(k) contributions, and other minor benefits

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.

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GENERAL PROJECT OVERVIEW

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.):

Renovations (Remodeling) of space and office fittings and equipment

B. Will this facility be:

- Leased space with renovations or build out
- Land purchase and construction of a new building
- Purchase of existing building(s) with renovations
- Addition to existing building(s) (already owned)
- Other (please describe in 4A above)

C. List the anticipated amount and type of major capital investment to be made by the applicant in connection with this project:

Calendar Year :	2012	2013	2014	2015	2016	Total
Land or Building Purchase	\$	\$	\$	\$	\$	\$
Construction / Renovations	\$1 500 000	\$	\$	\$	\$	\$1 500 000
Manufacturing Equipment	\$	\$	\$	\$	\$	\$
R&D Equipment	\$	\$	\$	\$	\$	\$
Other Equipment (computer equipment, office furniture, etc.)	\$500 000	\$20 000	\$20 000	\$100 000	\$20 000	\$660 000
Total Capital Investment	\$2 000 000	\$20 000	\$20 000	\$100 000	\$20 000	\$2 160 000

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

\$0

E. Describe the type(s) of machinery and / or other resources to be purchased outside of Florida.

None

F. What is the estimated square footage of the new or expanded facility?

25 000sq ft

G. When is the final location decision anticipated (date)?

January 2012

H. What is the anticipated date construction will begin?

March 2012

I. What is the anticipated date operations will commence?

July 2012

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 company currently has its US headquarters based in the Midwest, where there is an existing office and employee benefits infrastructure. These incentives will be needed to fund the set up and ongoing financing of the new infrastructure required in Florida.

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

As noted above, to subsidize the new infrastructure required.

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

Chicago, or to remain in current Latin American location.

GENERAL PROJECT OVERVIEW

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

The Midwest location currently houses our US operations' headquarters, and has the office and benefit infrastructure in place, avoiding the need to incur additional set up and running costs.

The regional headquarters are currently based in Latin America, where it has been operating for 6 years. Moving from current location would entail significant severance costs, as well as relocation costs.

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

As noted above, Florida offers the company access to capable management resources, also fluent in Spanish. Also the location is ideally suited logistically to overseeing the operations in Latin America.

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

None

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.

The company will employ 70 managers and senior executives, at above average remuneration levels.

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 US parent company has adopted an extensive sustainable development strategy founded on five pillars: ethics & transparency, alcohol responsibility, environmental sustainability (reducing energy, emissions, water usage etc), sustainable supply chain (responsible sourcing, local enterprise development) and people & community investment.

C. List and explain any criminal or civil fines or penalties, recent or ongoing investigations and lawsuits, 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.

As far as the company is concerned, there have been no activities in the state of Florida. The parent company has operations in Florida and does not have any defaults, bankruptcy proceedings, criminal investigations, fines, tax liens or environmental issues.

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.

None

GENERAL PROJECT OVERVIEW

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.

If you wish to request confidentiality for information contained within the General Project Overview to be held confidential pursuant to section 288.075, Florida Statutes, please submit to Enterprise Florida, Inc. a request on company letterhead and signed by an authorized company officer including the following statement:

"On behalf of (Legal Name of Applicant), please accept this letter as a request for all documents, records, reports, correspondence, conversations, applications, data and other sources of information concerning our business plans, interests, or intention to evaluate or locate in Florida as well as other trade secrets, identification, account, and registration numbers, and proprietary confidential business information be held confidential pursuant to section 288.075, Florida Statutes for a period of 12 months after the date of receipt of this request for confidentiality or until the information is otherwise disclosed, whichever occurs first."

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

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GENERAL PROJECT OVERVIEW

8. SIGNATURES

Application Completed By:

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

Signature

Signature (Authorized Company Officer)
REQUIRED

Date

Date

Name

Name

Title

Title

Company

Company

Address, if different than mailing address

Address, if different than mailing address

Phone Number

Phone Number

Fax Number

Fax Number

Email Address

Email Address

Name of contact person, if different than above

Phone Number

Address

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) _____ - or -
 Example 99 -- 99999999

Social Security Number (SSN) _____
 Example 999 -- 99 -- 9999

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 11-00246

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 Resolution¹ 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 unit²? _____ 70

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	50	12/31/2012
II	15	12/31/2013
III	5	12/31/2014
Total	70	

C. For the purposes of certification, agreement, and claim review, indicate the average wage and corresponding threshold (percentage) to which you commit:

Check the relevant box (only one) and fill in the first field (wage commitment) and second field (county, state, or MSA used).

\$_____, which is at least 115% of the average wage in _____.

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

\$88,000, which is at least 200% of the average wage in the State of Florida.

2. LOCAL FINANCIAL SUPPORT

A. Identify the local government(s) anticipated to provide local financial support³:

Miami-Dade County

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

January 2012

¹ Submit the resolution adopted by the local governing body recommending the applicant be approved as a QTI Business unit and indicating the amount of local financial support that has been committed. Resolution should clearly indicate waivers requested and justification for such waivers.

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

³ The total QTI award may not exceed five times the local financial support provided by the community. If the community has requested a local financial support waiver or the support is provided in the form of ad valorem tax abatement, the QTI award will be reduced by this amount.

Qualified Target Industry Tax Refund Attachment to the General Project Overview

To add text outside of the gray fields or click the statutory reference link, de-select the "Protect Form" (lock) button on the Forms toolbar.

3. SIGNATURES

Signature of Individual Completing this Attachment
(if different from General Project Overview)

Date

Address (if different)

Phone Number (if different)

Signature (Authorized Company Officer) REQUIRED

Date

Name and Title of Authorized Officer

4. KEY QTI PROGRAM INFORMATION

- The tax refund claim form will be due by January 31st each year for the number of jobs on December 31st of the previous calendar year. Tax refunds paid per state fiscal year (July 1 – June 30) may not exceed 25 percent of the total tax refund award associated with the phase(s) scheduled.
- The total award will be equal to \$3,000 (\$6,000 in Enterprise Zones or Rural Counties) times the number of jobs reported in item 1A, plus \$1,000 per job if the average annual wage is at least 150% of the area's average; or \$2,000 per job if the average annual wage is at least 200%. However, the QTI award may not exceed five times the local financial support paid by the community.
- If in any year the applicant does not achieve the job creation schedule outlined in item 1C, but achieves at least 80% of the required net new jobs, the company will receive a pro-rated refund less a 5% penalty of the scheduled award amount for that year. **If job creation falls below 80% of the required jobs, the company will not receive a refund and will be terminated from the program.**
- For an expanding Florida business unit:
 - Existing number of full-time equivalent jobs must be maintained for the duration of the QTI agreement.
 - The average wage commitment should include wages paid across the expanding business or reporting unit for all new and existing jobs, as shown on the unit's UCT-6 form. If the project involves activities not representative of the expanding business or reporting unit and are anticipated to be substantially different from the historical range and distribution of jobs and wages paid (higher or lower) in the existing unit, that issue should be disclosed and discussed with Enterprise Florida at the time of application to determine if separate record keeping must be established.
- A qualified target industry business that fraudulently claims a refund under *288.106(2), Florida Statutes*:
 - Is liable for repayment of the refund to the account, plus a mandatory penalty in the amount of 200 percent of the tax refund which shall be deposited into the General Revenue Fund.
 - Is guilty of a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.
- Qualified Target Industry Tax Refund: *Section 288.106, Florida Statutes*.