MEMORANDUM

Agenda Item No. 3(B)(2)

TO:	Honorable Chairman Jean Monestime and Members, Board of County Commissioners	**DATE:**	October 5, 2016
FROM:	Abigail Price-Williams County Attorney	**SUBJECT:**	Resolution approving Confidential Project Loki as a Qualified Target Industry Business pursuant to section 288.106, Florida Statutes; confirming that the commitment of local financial support necessary for Confidential Project Loki exists; and providing that local financial support of up to $55,200.00 from countywide general revenue funds will be available as local participation in the State of Florida Qualified Target Industry Tax Refund Program for Fiscal Years 2018-2019 through 2023-2024 inclusive, or over a time period as determined by the state of Florida in its approval of Confidential Project Loki

The accompanying resolution was prepared by the Regulatory and Economic Resources Department and placed on the agenda at the request of Prime Sponsor Commissioner Audrey M. Edmonson.

Abigail Price-Williams
County Attorney

RAC/cp

Memorandum

MIAMI-DADE COUNTY

Date: October 5, 2016

To: Honorable Chairman Jean Monestime
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor

Subject: Resolution Approving Qualified Target Industry Tax Refund for Confidential Project Loki

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Recommendation

The Beacon Council, on behalf of a company requesting 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 (Board). It is recommended that the Board authorize Confidential Project Loki 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.

Scope

Confidential Project Loki is a new business to Miami-Dade County and a national provider of in-demand skills training and professional development. Although the business location is confidential at this time, it will be located within a Designated Priority Area in the City of Miami, Florida and in Commission District 3, which is represented by Commissioner Audrey M. Edmonson. When this project is fully operational, it will create 46 new full-time equivalent jobs, as defined in Florida Statute Section 288.106.

Fiscal Impact / Funding Source

Confidential Project Loki has applied for a total of $276,000.00 in QTI Tax Refund Program incentives, of which 80 percent ($220,800.00) would be provided by the State and the remaining 20 percent ($55,200.00) is the local match provided by Miami-Dade County. If the accompanying resolution is approved by the Board, Miami-Dade County is committed to provide up to $55,200.00 in matching funds from Countywide General Fund revenues to be paid over a six-year period beginning in FY 2018-19. Based on the projected capital investment of $2,300,000.00 in new real property, the project will generate $48,844.00 (over a six-year period) in Countywide General Fund ad valorem revenues, which results in a net negative fiscal impact of $6,356.00 to the County. However, creating a net positive fiscal impact to the County's Countywide General Fund revenues is not a condition of the award.

Additionally, based on the creation of 46 new jobs with an average salary of $75,109.00, this project will generate $23,000,195.00 in direct and indirect wages over the six-year period the project is eligible for the award.

Miami-Dade County's local match is required when the State determines that 46 new jobs have been created and have met the average salary threshold required in the State's QTI Tax Refund Program according to the schedule set forth in the attached application. The disbursement schedule and the anticipated dates for job creation are subject to change at the discretion of the Florida Department of Economic Opportunity.

Track Record/Monitor

QTI funds awarded for job creation are provided on a matching basis upon the State invoicing Miami-Dade County for its 20 percent of the financial commitment for jobs created and verified by the State. The incentive amount is determined by the new jobs created and their annual salary. The State is responsible for verifying compliance with the terms of the award. Miami-Dade County's matching funds are distributed only if the applicant creates the new jobs indicated in the accompanying QTI Tax Refund Program application and complies with all other conditions of the incentive program.

County staff requires access to the company's real estate and tangible personal property filings during the incentive period to monitor the fiscal impact to the general fund from the QTI Tax Refund Program.

Background

Confidential Project Loki is a national provider of in-demand skills training and professional development with multiple locations worldwide. This proposed project is seeking to locate their 3,400 square foot regional headquarters within a Designated Priority Area in Miami-Dade County. Their curriculum will include computer training and web development in addition to providing extensive career services placement to their graduates (North American Industry Classification System Code #611420 and #541990). Alternative locations for this project include: Minneapolis, Minnesota; Toronto, Canada; and St. Louis, Missouri.

Confidential Project Loki would employ 46 new workers paying an average annualized salary of $75,109.00, which is at least 150 percent of the average annual State wage. According to documents submitted by The Beacon Council, employee benefits associated with each newly created job will be $10,000.00. The value of employee benefits is not a requirement of the tax refund agreement with the State or the County's local match.

Project details are summarized in the attached chart.

Jack Osterholt
Deputy Mayor

CONFIDENTIAL PROJECT LOKI	
APPLICANT:	Project Loki
HEADQUARTERS LOCATION:	TBD
PROPOSED LOCATION IN MIAMI-DADE COUNTY:	City of Miami
OTHER LOCATIONS UNDER CONSIDERATION:	Minneapolis, Mn; Toronto, Ca; St.Louis, Mo
DATE OF QTI/TJIF APPLICATIONS:	July 27, 2016
OVERALL BUSINESS ACTIVITY/MISSION:	Professional Development
PROPOSED LOCAL BUSINESS ACTIVITY:	Lease space and buildout
PROPOSED CAPITAL INVESTMENT:	$2,300,000.00 (Not a condition of the award)
TARGETED QUALIFIED INDUSTRY:	Regional Headquarters
LOCATION IN DESIGNATED PRIORITY AREA?	Yes
NEW BUSINESS OR EXPANDING BUSINESS:	New
TOTAL NUMBER OF DIRECT JOBS TO BE CREATED/RETAINED:	46
EFFORT IN HIRING RESIDENTS IN LOCAL AREA:	unknown
ANNUALIZED AVERAGE WAGES FOR NEW JOBS:	$75,109.00
ANNUAL EMPLOYEE BENEFIT PACKAGE:	$10,000.00 (Not a condition of incentive award)
NUMBER OF INDIRECT JOBS TO BE CREATED:	18
NUMBER OF YEARS TO CREATE NEW JOBS:	3
MAXIMUM TAX REFUND PER DIRECT JOBS:	$6,000.00
MAXIMUM INCENTIVE AWARD APPLIED FOR:	$276,000.00
PROJECTED INCREMENTAL COUNTY TAX REVENUE:	$48,844.00 (Not a condition of the award)
COUNTY'S MAXIMUM 20% QUALIFIED TARGET **INDUSTRY AWARD:**	$55,200.00
STATE'S MAXIMUM 80% QUALIFIED TARGET **INDUSTRY AWARD CONTRIBUTION:**	$220,800.00
TYPE OF FUNDS REQUESTED IN APPLICATION:	Countywide General Fund Revenues
COMMENTS: summary sheet prepared by RER from information and data provided by the Beacon Council.	

MEMORANDUM

(Revised)

TO: Honorable Chairman Jean Monestime and Members, Board of County Commissioners

DATE: October 5, 2016

FROM: Abigail Price-Williams County Attorney

SUBJECT: Agenda Item No. 3(B)(2)

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**

_____ **Statement of social equity required**

_____ **Ordinance creating a new board requires detailed County Mayor'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. 3(B)(2)
10-5-16

RESOLUTION NO. _____

RESOLUTION APPROVING CONFIDENTIAL PROJECT LOKI AS A QUALIFED TARGET INDUSTRY BUSINESS PURSUANT TO SECTION 288.106, FLORIDA STATUTES; CONFIRMING THAT THE COMMITMENT OF LOCAL FINANCIAL SUPPORT NECESSARY FOR CONFIDENTIAL PROJECT LOKI EXISTS; AND PROVIDING THAT LOCAL FINANCIAL SUPPORT OF UP TO $55,200.00 FROM COUNTYWIDE GENERAL REVENUE FUNDS WILL BE AVAILABLE AS LOCAL PARTICIPATION IN THE STATE OF FLORIDA QUALIFIED TARGET INDUSTRY TAX REFUND PROGRAM FOR FISCAL YEARS 2018-2019 THROUGH 2023-2024 INCLUSIVE, OR OVER A TIME PERIOD AS DETERMINED BY THE STATE OF FLORIDA IN ITS APPROVAL OF CONFIDENTIAL PROJECT LOKI

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

WHEREAS, The Beacon Council has submitted an application for economic development incentives from the State of Florida ("State") and Miami-Dade County on behalf of Confidential Project Loki to be recognized by the State as a Qualified Target Industry ("QTI") business and entitled to the financial benefits afforded under the Florida Qualified Target Industry Tax Refund Program ("QTI Program"); and

WHEREAS, Confidential Project Loki commits to create 46 full-time equivalent jobs, as defined in section 288.106, Florida Statutes, in Miami-Dade County by December 31, 2019 with an average salary of $75,109.00, which is more than 150 percent of the average annual State wage; and

WHEREAS, the tax refunds provided under the QTI Program to Confidential Project Loki may be prorated by the State of Florida pursuant to the terms of the General Project Overview in the event that Confidential Project Loki creates fewer than 46 full-time equivalent jobs; and

WHEREAS, the County wishes to monitor the economic and fiscal impacts of the QTI Program in Miami-Dade County,

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

Section 1. This Board approves Confidential Project Loki as a QTI business pursuant to section 288.106, Florida Statutes, which created the QTI Program.

Section 2. The necessary commitment of local financial support for Confidential Project Loki as required under the section 288.106, Florida Statutes, exists in an amount not to exceed $55,200.00 from Miami-Dade County's countywide general funds and this local financial support will be available in the following increments:

Fiscal Year 2018-2019	$9,200.00
Fiscal Year 2019-2020	$9,200.00
Fiscal Year 2020-2021	$9,200.00
Fiscal Year 2021-2022	$9,200.00
Fiscal Year 2022-2023	$9,200.00
Fiscal Year 2023-2024	$9,200.00
	$55,200.00

or payable over a time period and at annual amounts as determined by the State of Florida in its approval of Confidential Project Loki's application, as long as the $55,200.00 is not exceeded with the provision that any tax abatement grant to Confidential Project Loki under section 196.1995, Florida Statutes, reduces any QTI tax refund by the amount of any such abatement granted, in compliance with section 288.106(6)(d), Florida Statutes; and 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 section 288.106, Florida Statutes, for Confidential Project Loki, in compliance with the QTI Program.

The necessary commitment of local financial support shall be contingent upon Confidential Project Loki maintaining the jobs during the life of the incentive, ensuring that its hiring practices aspire to be consistent with and reflect the diversity of the Miami-Dade County community, and provides the County with access to tax information and documents necessary to monitor economic and fiscal impacts of the designation of Confidential Project Loki as a QTI business.

The anticipated dates for the job creation and disbursement of the incentive awards are subject to change at the discretion of the Florida Department of Economic Opportunity. However, the County's 20 percent local match will not exceed $55,200.00.

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:

Jean Monestime, Chairman
Esteban L. Bovo, Jr., Vice Chairman

Bruno A. Barreiro	Daniella Levine Cava
Jose "Pepe" Diaz	Audrey M. Edmonson
Sally A. Heyman	Barbara J. Jordan
Dennis C. Moss	Rebeca Sosa
Sen. Javier D. Souto	Xavier L. Suarez
Juan C. Zapata	

The Chairperson thereupon declared the resolution duly passed and adopted this 5th day of October, 2016. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this resolution and the filing of this approval with the Clerk of the 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. _____ for

Shannon D. Summerset-Williams

287747

RECEIVED
AUG 11 2016
MIAMI-DADE COUNTY
OFFICE OF THE MAYOR

THE BEACON COUNCIL

Miami-Dade County's Official Economic Development Partnership

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

July 27, 2016

Mr. Jack Osterholt
Deputy Mayor
Miami-Dade County
Stephen P. Clark Center
111 NW 1st Street, Suite 2910
Miami, FL 33128

RE: Confidential Project: Loki

Dear Mr. Osterholt:

Attached you will find the application for Confidential Project: Loki to the State of Florida's Qualified Targeted Industry Tax Refund Program (QTI). Confidential Project: Loki is a national provider of in-demand skills training and professional development with multiple locations worldwide. The project will create 46 direct new jobs with an average annualized salary of $75,109, (more than 150% of the Average Annual State Wage) and will make a new capital investment of $2,300,000 in the Central Enterprise Zone of the City of Miami (Miami-Dade County District 3) over a 3-year period. Alternate locations include: Minneapolis, Minnesota; Toronto, Canada; and St. Louis, Missouri.

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 $55,200, 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 possible BCC agenda.

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) 579-1360.

Sincerely,

James Kohnstamm
Senior Vice President
Economic Development

Enclosures

Copy: Leland Salomon

10

Florida Qualified Target Industry Tax Refund (QTI)

Confidential Project: Loki

July, 2016

Prepared by the Beacon Council

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Executive Summary for Confidential Project: Loki

Background

Confidential Project: Loki is a national provider of in-demand skills training and professional development with multiple locations worldwide that is locating in the Central Enterprise Zone of the City of Miami (Miami-Dade County District 3). The project will create 46 direct new jobs with an average annualized salary of $75,109, and make a new capital investment of $2,300,000 over a 3-year period. The average salary of $75,109 represents more than 150% of the State average wage. Alternate locations include: Minneapolis, Minnesota; Toronto, Canada; and St. Louis, Missouri.

Based on the projected capital investment of $2,300,000 in new real property, Confidential Project: Loki will generate $191,084 in new Miami-Dade County Property Taxes over a 3 year period. Of this amount, $142,240 represents new tax generation that will be committed to Miami-Dade County Public Schools, Libraries, the Fire Department, etc. The balance of $48,844 in new Miami-Dade County Property Taxes will be committed to the Miami-Dade County General Fund.

Based on the projected job creation of 46 new jobs with an average salary of $75,109 in 3 years, Confidential Project: Loki will generate $23,000,195 in direct and indirect wages over a 6 year period.

Recommendation

The enclosed QTI application package requests a maximum of $55,200 (20% of total incentive) to be paid by the County over a period of six years.

Of Miami-Dade County's $55,200 contribution to the QTI, a total of $48,844 can be derived from the Miami-Dade County General Fund, resulting in total cost-benefit ratio of 1:0.88. Therefore, Miami-Dade County must commit to contribute an additional $6,356 over a period of six years.

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.

INCENTIVE PROPOSAL SUMMARY

Confidential Project: Loki

Project Summary:	
Project Name	Confidential Project: Loki
New Jobs	46
Average Salary	$75,109
New Capital Investment	$2,300,000
New Square Footage	3,400
QTI Breakdown:	
Miami-Dade County Incremental Tax Revenue	$48,844
QTI Miami-Dade County Match (20%)	$55,200
Net Revenue Benefit to Miami-Dade	-$6,356
Total Cost-Benefit Ratio	1:0.88

INCENTIVE PROPOSAL CHECKLIST

Project Loki

1. Enterprise Zone:	Yes
2. Number of New Jobs Projected:	46
3. Average Salary per Job:	$75,109
4. New Capital Investment:	$2,300,000
5. New Square Footage:	3,400
6. Per Job Incentive:	$6,000

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

46 New Jobs Over **3** Years

TOTAL QTI TAX REFUND

1. State of Florida Portion (80%)	$220,800
2. Miami-Dade County Match (20%)	$55,200
Total QTI Tax Refund Proposal	$276,000

RETURN ON INCENTIVE INVESTMENT (ROII)

1. Miami-Dade County Incremental General Tax Revenue*	$48,844	
2. Total Miami-Dade County (20%) QTI Match	$55,200	$9,200
3. Miami-Dade County Net Revenue Benefit	($6,356)	
Total ROII Gain/Loss/Breakeven	1: 0.88	

1. Miami-Dade County Total Property Tax Revenue	$191,084	
2. Total Miami-Dade County (20%) QTI Match	$55,200	$9,200
3. Miami-Dade County Total Net Revenue Benefit	$135,884	
Total ROII Gain/Loss/Breakeven	1: 3.46	

* See Economic Impact Model

THE BEACON COUNCIL ECONOMIC IMPACT MODEL - ASSUMPTIONS

Project Loki

Employment Assumptions

New Direct Permanent Jobs

Year 1	16
Year 2	34
Year 3	46
Year 4	46
Year 5	46
Year 6	46

Incremental Multiplier 0.40

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

Annual Income Assumptions

Yearly Salary, Direct Permanent Job	$75,109
Indirect Job Salary	$37,555
Inflation	103%

Capital Investment

	Total Cap. Inv.
Y1 Value	$1,801,271
Y2 Value	$1,763,921
Y3 Value	$1,739,251
Y4 Value	$1,724,728
Y5 Value	$1,718,340
Y6 Value	$1,718,492

	Realty Prop.	Equip.
Y1	$1,509,600	$291,671
Y2	$1,532,244	$231,677
Y3	$1,555,228	$184,023
Y4	$1,578,556	$146,172
Y5	$1,602,234	$116,106
Y6	$1,626,268	$92,224

Investment	$1,850,000	$450,000
Depreciated		$367,200

Equipment Depreciation 0.20569

Property/Real Estate Taxes

Mill Rate, Less Dade's Revenue	0.01359
Miami-Dade's Revenue Mill Rate	0.00467
Miami-Dade's Total Mill Rate	0.01826
Assessment Value of Real Property (81.6%)	0.816

Sales Tax Rates

Calculation: Income Available For Sales Tax

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

Sales Tax Rates

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

THE BEACON COUNCIL ECONOMIC IMPACT MODEL

Project Loki

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	TOTAL
EMPLOYMENT							
Total Direct Jobs	16	34	46	46	46	46	
Indirect Employment	6	14	18	18	18	18	
TOTAL EMPLOYMENT	22	48	64	64	64	64	
INCOME ($1,000)							
WAGES & SALARY							
Total Direct Wages	$1,201.7	$2,630.3	$3,665.4	$3,775.4	$3,888.6	$4,005.3	$19,166.8
Total Indirect Wages	$240.3	$526.1	$733.1	$755.1	$777.7	$801.1	$3,833.4
TOTAL WAGES & SALARIES	$1,442.1	$3,156.4	$4,398.5	$4,530.5	$4,666.4	$4,806.4	$23,000.2
TOTAL INCOME	$1,442.1	$3,156.4	$4,398.5	$4,530.5	$4,666.4	$4,806.4	$23,000.2
INCREMENTAL PROPERTY TAXES ($1,000)							
Building & Equipment Taxes							
TOTAL PROPERTY TAXES	$32.9	$32.2	$31.8	$31.5	$31.4	$31.4	$191.1
MIAMI-DADE PROPERTY TAXES	$8.4	$8.2	$8.1	$8.0	$8.0	$8.0	$48.8
SALES TAXES ($1,000)							
Available Income	$1,442.1	$3,156.4	$4,398.5	$4,530.5	$4,666.4	$4,806.4	$23,000.2
Less Federal Income Tax	$1,153.7	$2,525.1	$3,518.8	$3,624.4	$3,733.1	$3,845.1	$18,400.2
Less Hous, Ins, Prop Tax	$865.3	$1,893.8	$2,639.1	$2,718.3	$2,799.8	$2,883.8	$13,800.1
Less Savings, Life Insur.	$778.7	$1,704.4	$2,375.2	$2,446.5	$2,519.8	$2,595.4	$12,420.1
Less Food, Drugs, Other Non-Tax	$584.0	$1,278.3	$1,781.4	$1,834.8	$1,889.9	$1,946.6	$9,315.1
Avail. Income For Sales Tax	$584.0	$1,278.3	$1,781.4	$1,834.8	$1,889.9	$1,946.6	$9,315.1
State Sales Tax Realized	$35.0	$76.7	$106.9	$110.1	$113.4	$116.8	$558.9
Local Sales Tax Realized	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
TOTAL SALES TAXES ($1,000)	$35.0	$76.7	$106.9	$110.1	$113.4	$116.8	$558.9
TOTAL MIAMI-DADE PROPERTY & SALES TAXES ($1,000)	$8.4	$8.2	$8.1	$8.0	$8.0	$8.0	$48.8
TOTAL PROPERTY & SALES TAXES ($1,000)	$67.9	$108.9	$138.6	$141.6	$144.8	$148.2	$750.0

SUMMARY OF ECONOMIC IMPACT

Project Loki

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	46
Indirect Employment	18
Total Employment Gain	**64**
Income from Wages	
Direct Employment	$19,166,829
Indirect Employment	$3,833,366
Total Income Gain	**$23,000,195**
Revenue to Miami-Dade County	
Total Property Taxes	**$48,844**
Total Local Sales Taxes	**$0**
Total Tax Revenue Gain	**$48,844**
Total Miami-Dade County (20%) QTI Match	**$55,200**
Miami-Dade County Net Revenue Benefit	**($6,356)**

APPLICATION*
Private Companies

1. SIGNATURE

The undersigned person hereby affirms that he or she has been duly authorized and empowered to verify, execute and deliver this Application, that he or she will read this Application (including all attachments hereto) and he or she has knowledge of all of the facts stated herein, and that this Application, and all information submitted in connection herewith, shall be complete and accurate and shall contain no misstatements, misrepresentations, or omissions of material facts, to the best of his or her knowledge and belief.

_____

Signature Date

Name

Title

Company

2. BUSINESS INFORMATION

A. Legal name of the Applicant:

B. Please provide contact information for the primary contact at the Applicant.

Name *Title*

Telephone No. *Email Address*

Street Address

New York	New York	10010	USA
City	*State*	*Zip Code*	*Country*

C. Name of Ultimate Parent Company (If applicable):

City State/Province Country

* For an explanation of certain capitalized terms used in this Application, please see Appendix 1.

D. List each **Principal Executive Officer, director (or any person who performs a similar function regardless of title**, e.g., a manager of a limited liability company or a general partner of a limited partnership) of **the Applicant** and **the Ultimate Parent Company** (if applicable), and **any person or entity that Controls the Applicant**. Attach additional sheets if necessary.

Name[1] *First, Middle Initial, Last*	Title or Position[2]	Percent of Ownership if Greater than 50%[3]
	Chief Executive Officer	
	President (if different than CEO)	
	Chief Operating Officer	
	Chief Financial Officer	
	Chief Legal Officer/General Counsel	
	Director (i.e., member of the board of directors if a corp.) or Manager (i.e., member of the board of managers if an LLC)	
	Director (i.e., member of the board of directors if a corp.) or Manager (i.e., member of the board of managers if an LLC)	
	Director (i.e., member of the board of directors if a corp.) or Manager (i.e., member of the board of managers if an LLC)	
	Equity Owner (if greater than 50%)	

E. Applicant'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. Applicant's Reemployment Assistance Number (Formerly Unemployment #)

G. Applicant's Florida Sales Tax Registration Number (if applicable):

H. Last day of Applicant's fiscal year (e.g., December 31, September 30, etc.): December 31

I. Total number of employees (on a Full-Time Equivalent Job Basis) who are currently employed by the Ultimate Parent Company and its Subsidiaries (including the Applicant) in Florida: 1

[1] If not applicable, write "N/A".
[2] For example, chief executive officer, director, stockholders that directly or indirectly own more than 50% of the capital stock or other equity interests of the Applicant or the Ultimate Parent Company, etc.
[3] This should **only be included** if the individual directly or indirectly **owns more than 50%** of the capital stock or other equity interests of the Applicant or the Ultimate Parent Company.

J. Total number of employees (on a Full-Time Equivalent Job Basis) who are currently employed by the Ultimate Parent Company and its Subsidiaries (including the Applicant) worldwide: 750

K. What type of legal entity is the applicant?

C-Corporation	☒	S-Corporation	☐
Limited Liability Company	☐	Partnership	☐

L. Is it presently anticipated that the Applicant will have corporate income tax liability in Florida?[4]

Yes ☒ No ☐

M. Is the applicant a small business (i.e., is the aggregate net worth of the Applicant, the Ultimate Parent Company and its Subsidiaries (other than the Applicant) **less than** $5,000,000 **or** does the Applicant have a Small Business Administration 8(a) certification)?

Yes ☐ No ☒

3. PROJECT OVERVIEW

A. Which of the following best describes the Applicant:

☒ New business to Florida
☐ Existing Florida business creating and/or retaining jobs[5]

B. How many employees of the Applicant, the Ultimate Parent Company and its Subsidiaries (other than the Applicant) will be transferred from other Florida locations in connection with the Project (on a Full-Time Equivalent Job Basis) , please indicate the number of employees being transferred and from which Florida county? 0

C. Please describe the Project, including the specific business activity(ies) and functions of the Project:

Project Loki is creating a global community of individuals empowered to pursue work they love, by offering full-time immersive programs, long-form courses, and classes and workshops on the most relevant skills of the 21st century – from web development and user experience design, to business fundamentals, to data science, to product management and digital marketing.

Our curriculum development is led by a comprehensive study of skills most in demand and most difficult to find in the tech, design and business industries. We teach with the intent of preparing graduates to fill those roles. Our instructors are practitioners with real life experience in the industries they teach and are able parlay their knowledge and experience into the classroom experience.

For our full time programs, we provide extensive career services for our students to enable them to quickly and effectively place into jobs after the course is over. Our currently placement rate is 99% within a 6 month period.

We also offer a multitude of short workshops in the tech, design and business field as well as

[4] In most cases, limited liability companies, S corporations, and partnerships will not have corporate income tax liability.

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

events engaging the wider community.

D. What is the anticipated commencement date of the Project? September 2016

E. Break down of the Project's primary business activity(ies)/Job functions and the corresponding wages:

Applicant's Activities	6 Digit NAICS Code(s)	Project Function (total = 100%)	Average Annualized Wage ($)
Computer Programming School	611420	50%	$75,109
All Other Professional, Scientific, and Technical Services	541990	50%	$75,109
		%	$

F. Please provide the address of the proposed permanent location of the Project:

Street Address

City *State* *Zip Code*

G. Will the Project be located in a current or proposed Brownfield Area?

Yes ☒ No ☐

If Yes, does the proposed site have a Brownfield Site Rehabilitation Agreement in place or are you pursuing one?

Yes ☐ No ☒ If yes, identify the site number?

Will the Project be located in a designated Rural Area of Opportunity?

Yes ☐ No ☒ If yes, which area?

Will the Project be located in an Urban area?[6]

Yes ☐ No ☒ If yes, describe?

H. Which of the following best describes the location of the Project:

☒ Regional headquarters

☐ National headquarters

☐ International headquarters

☐ Not applicable

If it is a regional headquarters, what region?

I. Please provide an estimate of the percentage of goods or services from the Project that will be sold or delivered to customers outside of Florida:

0% Explain, if necessary:

4. JOB AND WAGE OVERVIEW

A. How many new-to-Florida Full-Time Equivalent Jobs are projected to be created as part of the Project? 46

[6] An Urban area may include a Community Redevelopment Area (CRA), Urban Job Tax Credit eligible area, Federal Empowerment Zone, and an Urban Revitalization Area.

B. If the Applicant operates in Florida, how many of the Applicant's Full-Time Equivalent Jobs in Florida that would have otherwise moved to another state are projected to be **retained** as part of the Project? N/A

C. What is the projected annualized average wage (excluding benefits) of the **retained** Full-Time Equivalent Jobs in Florida listed in Section 4(B) above (if any)?[7] N/A

D. What is the projected annualized average wage (excluding benefits) of the new Full-Time Equivalent Jobs Florida jobs created as part of the Project?[8] $75,109

E. What is the projected annualized average cost to the Applicant of benefits for each Full-Time Equivalent Job created and retained as part of the Project? $10,000

F. Please list the benefits that are included in the above calculation (*e.g.*, health insurance, matching 401(k) contributions, etc.)?
Health, vision, dental insurance, phone, gym, transportation

G. Does the applicant contract with a third-party company to provide payroll services? Yes ☒ No ☐

5. CAPITAL INVESTMENT OVERVIEW

A. Describe the capital investment in connection with the Project in real and personal property (Examples: construction of new facility; remodeling of facility; upgrading, replacing, or buying new equipment.):
Interior construction of new facility, buying new furniture, fixtures and equipment

B. Identify whether the Project will be located in a/an:
- ☒ Leased space with renovations or build out
- ☐ Newly constructed building(s) on newly acquired land
- ☐ Newly constructed building(s) on previously acquired land
- ☐ Newly acquired existing building(s) with renovations
- ☐ Addition to previously acquired existing building(s)
- ☐ Other (please describe in 5A above)

C. List the projected capital investment to be made **in** Florida in connection with the Project (by type and year):

Calendar Year :	2017	2018	2019			Total
Land or Building Purchase	$0	$0	$0	$	$	$0
Construction / Renovations	$75,000	$25,000	$1,750,000	$	$	$1,850,000
Manufacturing Equipment	$0	$0	$0	$	$	$0
R&D Equipment	$0	$0	$0	$	$	$0
Other Equipment (computer equipment, office furniture, etc.)	$75,000	$25,000	$350,000	$	$	$450,000

[7] All cash payments to the employees (other than reimbursements of business expenses) should be included.
[8] All cash payments to the employees (other than reimbursements of business expenses) should be included.

Total Capital Investment	$150,000	$50,000	$2,100,000	$	$	$2,300,000

D. List the projected capital investment to be made **outside** of Florida, for equipment that will be located at the Project location in connection with the Project (by type and year):

Calendar Year :						Total
Manufacturing Equipment	$	$	$	$	$	$
R&D Equipment	$	$	$	$	$	$
Other Equipment (computer equipment, office furniture, etc)	$	$	$	$	$	$
Total Capital Investment	$	$	$	$	$	$

E. What is the estimated square footage of the new or expanded facility? 3,400

6. COMPETITIVE LANDSCAPE

A. What role will the incentive(s) play in the Applicant's decision to locate the Project in Florida?
Incentives usually play a large part in prioritizing of market entry for us

B. What other states or countries (**Including the cities**) is the Applicant considering for the Project?
Minneapolis, MN; Toronto, CAN; St. Louis, MO

C. What advantages or incentives offered by these locations does the Applicant consider important in its decision?
Training grants, state incentives to start business, ease of regulatory approval process

D. What advantages or disadvantages offered by the proposed Florida location does the Applicant consider important in its decision?
The lack of access and connectivity for transportation is a concern, specifically in Miami, and how we can serve a wide audience within a fairly fragmented city

E. Indicate any additional internal or external competitive issues impacting the Applicant's decision regarding the Project's location?
Competition in the markets we are looking at are important factors, as well as size of the target audience

7. DISCLOSURE

A. In the past 10 years, has (1) the Applicant, the Ultimate Parent Company or any of its Subsidiaries, (2) any Principal Executive Officer of the Applicant or the Ultimate Parent Company or (3) any entity that any Principal Executive Officer of the Applicant or the Ultimate Parent Company Controls or Controlled been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign or military court to any Felony or Misdemeanor involving fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery or a conspiracy to commit any of these offenses?

Yes ☐ No ☒ If yes, explain?

B. Is (1) the Applicant, the Ultimate Parent Company or any of its Subsidiaries, or (2) any Principal Executive Officer of the Applicant or the Ultimate Parent Company or (3) any entity that any Principal Executive Officer of the Applicant or the Ultimate Parent Company Controls (a) the subject of a pending criminal prosecution or governmental enforcement action in any

jurisdiction; (b) to the best of the Applicant's knowledge after due inquiry, the subject of any criminal, civil, or regulatory investigation by any law enforcement authority in the State of Florida, or any regulatory body in the State of Florida; or (c) subject to any unsatisfied tax liens in Florida or judgment liens in any jurisdiction in the U.S.?

Yes ☐ No ☒ If yes, explain?

C. In the past 5 years, has (1) the Applicant, the Ultimate Parent Company or any of its Subsidiaries, (2) any Principal Executive Officer of the Applicant or the Ultimate Parent Company or (3) any entity that any Principal Executive Officer of the Applicant or the Ultimate Parent Company Controls or Controlled (a) been named as a DEFENDANT in any civil litigation or arbitration in any jurisdiction, (b) had an application for license, or a license or its equivalent, to practice any profession or occupation denied, suspended or revoked in any jurisdiction, or (c) been subject to a bankruptcy or insolvency petition in any jurisdiction?

Yes ☐ No ☒ If yes, explain?

8. CONFIDENTIALITY

In accordance with Section 288.075 of the Florida Statutes, the Applicant may request that Enterprise Florida, Inc. and the Department of Economic Opportunity maintain the confidentiality of all information regarding the Project (including information contained in this application) for the lesser of a 12 month period after the date of this application (which may be extended for an additional 12 months upon request), 6 months after the issuance of the final project order approving the project or until the information is otherwise disclosed.

Please indicate whether the Applicant is requesting confidential treatment of the Project in accordance with Section 288.075 of the Florida Statutes. (Does not apply to SDST sales tax exemption applicants.)

☒ Yes ☐ No

*****PLEASE BE SURE TO ATTACH THE PROPER INCENTIVE ATTACHMENT SHEET(S).*****

APPENDIX 1

EXPLANATION OF TERMS

The following terms used in this Application have the meanings set forth below:

AFFILIATE – An entity that is controlled, directly or indirectly, by the ultimate parent entity of such person.

APPLICANT – The entity(ies) that will satisfy all job creation and capital investment requirements under the incentive agreement with the Department and which are applying on or amending this Application.

BROWNFIELD Site with a Brownfield Site Rehabilitation Agreement – Has the meaning ascribed to such term in Section 288.107 of the Florida Statutes.

CONTROL – The power, directly or indirectly, to direct the management or policies of a company, whether through ownership of securities, by contract, or otherwise. Any person or entity that (i) is a director, general partner or officer exercising executive responsibility (or having similar status or functions); (ii) directly or indirectly has the right to vote 50% or more of a class of a voting security or has the power to sell or direct the sale of 50% or more of a class of voting securities; or (iii) in the case of a partnership, has the right to receive upon dissolution, or has contributed, 50% or more of the capital, is presumed to control that company.

DEPARTMENT – The Department of Economic Opportunity.

FELONY – For jurisdictions that do not differentiate between a felony and a misdemeanor, a felony is an offense punishable by a sentence of at least one year imprisonment and/or a fine of at least $1,000. The term also includes a general court martial.

FOUND – Includes adverse final actions, including consent decrees in which the respondent has neither admitted nor denied the findings, but does not include agreements, deficiency letters, examination reports, memoranda of understanding, letters of caution, admonishments, and similar informal resolutions of matters.

FULL-TIME EQUIVALENT JOB – One employee or two or more employees (without duplication) who perform at least 35 hours of paid work per week.

JOBS – Has the meaning ascribed to such term in Section 288.106 of the Florida Statutes.

MISDEMEANOR – For jurisdictions that do not differentiate between a felony and a misdemeanor, a misdemeanor is an offense punishable by a sentence of less than one year imprisonment and/or a fine of less than $1,000. The term also includes a special court martial.

NAICS – Those classifications contained in the North American Industry Classification System, as published in 2012 by the Office of Management and Budget, Executive Office of the President, and updated from time to time.

ORDER – A written directive issued pursuant to statutory authority and procedures, including orders of denial, suspension, or revocation; does not include special stipulations, undertakings or agreements relating to payments, limitations on activity or other restrictions unless they are included in an order.

PRINCIPAL EXECUTIVE OFFICER – With respect to any entity, such entity's chief executive officer, chief financial officer, chief operations officer or any person who performs similar functions regardless of title.

PROJECT – Has the meaning ascribed to such term in Section 288.106 of the Florida Statutes.

RURAL AREA OF OPPORTUNITY – Has the meaning ascribed to such term in Section 288.0656 of the Florida Statutes.

SUBSIDIARY – An entity that is directly or indirectly controlled by the Applicant or the Ultimate Parent.

ULTIMATE PARENT – An entity that directly or indirectly controls the Applicant, which is not directly or indirectly controlled by any other entity.

Qualified Target Industry Tax Refund
Attachment to the General Project Overview

Confidential Project: Loki

Name of Business

FOR EFI USE ONLY		
Date Received	Date Revised	Date Completed
EFI Project Number		

Must be a separate business unit or reporting unit of a business unit that is or will be registered with the State of Florida for unemployment compensation purposes.

IMPORTANT NOTE: This application must be filed and the incentive approved ***prior*** to making the decision to expand an existing Florida business unit or to locate a new business unit in Florida.

*****Be sure to submit the General Project Overview and Local Support Resolution[1] following passage by the City / County*****

1. PROJECT EMPLOYMENT AND WAGE COMMITMENTS

A. What is the total number of net new full-time equivalent Florida jobs created by the project at the business unit[2]? 46

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	16	December 31, 2017
II	18	December 31, 2018
III	12	December 31, 2019
Total	**46**	

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 _____.
- ☒ $75,109, which is at least 150% of the average wage in the state of Florida.
- ☐ $_____, which is at least 200% of the average wage in _____.

2. LOCAL FINANCIAL SUPPORT

A. Identify the local government(s) anticipated to provide local financial support[3]:
Miami-Dade County

B. Indicate the date(s) the QTI support resolution(s) is / are anticipated to be passed by the local government:
September 2016

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[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

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. Additional per job bonuses may be available; however, the QTI award may not exceed five times the local financial support paid by the community.
  - $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%.
  - $2,000 per job if the business falls within a designated high impact sector OR if the business increases exports of its goods through a seaport or airport in the state by at least 10 percent in value or tonnage in each year of receiving a QTI refund.
  - $2,500 per job if the project locates in a designated Brownfield area (Brownfield Bonus).
  - $1,000 per job if the local financial support is equal to the base QTI award.
- 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. Similarly, if the average wage falls below the wage committed to in 1C, 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 Florida jobs must be maintained for the duration of the QTI agreement.
  - The average wage commitment should include wages paid for only the net new to Florida jobs, as shown on the unit's UCT-6 form. The applicant will be required to establish a tracking mechanism to distinguish between existing versus new jobs and employees filling those jobs. Contact Enterprise Florida for more information.
- QTI eligible jobs are those that are physically located within the State of Florida and located at the facility listed as the proposed location address in question 2G of the General Project Overview or subsequent QTI contract with the State of Florida. If any jobs will not be physically located at the proposed location address, contact Enterprise Florida to discuss the situation. Jobs that are paid out of the proposed location address facility but are not located at that facility or in the State of Florida are not considered net new jobs for QTI purposes.
- 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*.