

**BCC Meeting: April 10, 2018  
Research Notes**

**Item No. 7F  
File No. 180141**

**Researcher: JFP Reviewer: TD**

ORDINANCE AMENDING SECTIONS 2-1252 AND 2-1258 OF THE CODE OF MIAMI-DADE COUNTY, FLORIDA RELATING TO THE TARGETED JOBS INCENTIVE FUND (TJIF) PROGRAM; MODIFYING PROGRAM INCENTIVES; AND PROVIDING SEVERABILITY, INCLUSION IN THE CODE, AND AN EFFECTIVE DATE

**ISSUE/REQUESTED ACTION**

Whether the Board should amend the County Code to reflect modifications to the Targeted Jobs Incentive Fund (TJIF) Program, originally created by the Board in July 2000.

**APPLICABLE LEGISLATION/POLICY**

Section 2-1258 of the Code of Miami-Dade County governs the TJIF program. The amount of the TJIF award is tentatively ascertained, pending Board approval, during application processing and is based on the commitment of Capital Investment in the TJIF project and the commitment of new job creation as specified in the TJIF application/agreement.

[https://library.municode.com/fl/miami -  
dade county/codes/code\\_of\\_ordinances?nodeId=PTIICOOR\\_CH2AD\\_ARTLXXXVITAJOINFUPR\\_S2-1258TJIN](https://library.municode.com/fl/miami_-_dade_county/codes/code_of_ordinances?nodeId=PTIICOOR_CH2AD_ARTLXXXVITAJOINFUPR_S2-1258TJIN)

Section 2-1252 of the Code of Miami-Dade County provides relevant definitions for the TJIF Program.

- *Expanding Business* or *Expanding Businesses* means a commercial or industrial business, excluding residential development that increases operations on a site in Miami-Dade County co-located with a commercial or industrial operation owned by the same business or a site in Miami-Dade County to which the commercial or industrial operation will relocate or has relocated.
- *Incentive* or *Incentives* means the funds paid to a Company under this TJIF Program by the County.
- *New-to-Market Business* or *New-to-Market Company* is an entity that relocates to Miami-Dade County or is a start-up company setting up operations in Miami-Dade County.
- *TJIF Project* or *Project* means the capital investment and the associated new jobs that are the basis of the application for a TJIF award.

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dade county/codes/code\\_of\\_ordinances?nodeId=PTIICOOR\\_CH2AD\\_ARTLXXXVITAJOINFUPR\\_S2-1252DE](https://library.municode.com/fl/miami_-_dade_county/codes/code_of_ordinances?nodeId=PTIICOOR_CH2AD_ARTLXXXVITAJOINFUPR_S2-1252DE)

**PROCEDURAL HISTORY**

**Prime Sponsor: Economic Development and Tourism Committee  
Department/Requester: Regulatory and Economic Resources**

This item was forwarded to the BCC with a favorable recommendation by the Economic Development and Tourism Committee at its March 15, 2018 hearing.

**FISCAL IMPACT**

The TJIF Program has a positive fiscal impact on the County-wide General Fund due to the Program being structured to have TJIF revenues meet or exceed incentives paid by the County. The proposed changes to the existing ordinance adjust the manner in which incentives are calculated to account for the increase in cost of living and provide an additional incentive award for projects that create 50 or more new jobs. The structure of the program is still such that the TJIF project will never receive an actual award greater than the amount of countywide ad valorem taxes paid in the General Fund.

**ANALYSIS**

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This item proposes to amend the County Code to incorporate amendments to the TJIF Program, allowing the Program to remain competitive in attracting new firms and enable its assistance to existing local companies, ultimately promoting job growth and a positive economic impact. Given that the Ordinance was last updated in February 2011, the proposed adjustments reflect the increased cost of living and new incentives will allow the program to remain current in furtherance of its mission of spurring business activity and promoting the growth of Miami-Dade County's economy.

The TJIF Program provides cash incentives to qualifying companies from outside of the County looking to relocate to Miami-Dade County as well as existing Miami-Dade companies whose expansion will achieve job creation. To be eligible, companies must be in an industry that creates at least 10 new, above-average paying jobs, and make a capital investment of at least \$3 million. Businesses that expand or relocate within the boundaries of the Enterprise Zone, Targeted Urban Areas, Brownfield areas and Community Development Block Grant eligible areas are eligible for an additional incentive amount. Companies looking to be relocated from Broward, Palm Beach and Monroe Counties are not eligible for the Program incentives.

<https://www.miamidade.gov/business/targeted-jobs-incentive-fund.asp>

The following are proposed amendments to the Miami-Dade County Code (new language is underlined):

**Section 2-1252 of the Code of Miami-Dade County**

County Code as it Currently Reads	Proposed Changes to the County Code
<p>Definitions  <i>e. Designated Priority Area or Designated Priority Areas</i> means the Empowerment Zone area as designated by the Board of County Commissioners by Resolution No. R-1028-98 as may be amended, Enterprise Zone areas as designated by the Board of County Commissioners by Ordinances Nos. 0-88-27 and 0-96-74 as well as Resolutions No. R-492-95 and No. R-913-08, as may be amended, Targeted Urban Areas designated by the Board of County Commissioners by Ordinance No. 97-33 as may be amended, Brownfields areas as designated by the Board of County Commissioners by Resolution R-767-99 as may be amended, and Community Development Block Grant eligible areas as designated by the Board of County Commissioners by Resolution No. 618-02 as may be amended.</p>	<p>Definitions  <i>e. Designated Priority Area or Designated Priority Areas</i> means the <u>area previously designated and known as the</u> Empowerment Zone area as designated by the Board of County Commissioners by Resolution No. R-1028-98 <u>the area previously designated and known as the</u> Enterprise Zone areas as designated by the Board of County Commissioners by Ordinances Nos. 0-88-27 and 0-96-74 as well as Resolutions No. R-492-95 and No. R-913-08, Targeted Urban Areas designated by the Board of County Commissioners by Ordinance No. 97-33 as may be amended, Brownfields areas as designated by the Board of County Commissioners by Resolution R-767-99 as may be amended, and Community Development Block Grant eligible areas as designated by the Board of County Commissioners by Resolution No. 618-02 as may be amended.</p>

**Section 2-1258 of the Code of Miami-Dade County – TJIF Incentives**

County Code as it Currently Reads	Proposed Changes to the County Code
<p>The amount of the TJIF award is tentatively ascertained, pending Board approval, during application processing and is based on the commitment of Capital Investment in the TJIF project and the commitment of new job creation as specified in the TJIF application/agreement. The actual TJIF award will be determined after the Company has completed its Capital Investment, hires the number of new jobs as specified in the Board of County</p>	<p>The amount of the TJIF award is tentatively ascertained, pending Board approval, during application processing and is based on the commitment of Capital Investment in the TJIF project and the commitment of new job creation as specified in the TJIF application/agreement. The actual TJIF award will be determined after the Company has completed its Capital Investment, hires the number of new jobs as specified in the Board of County</p>



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Commissioners approved TJIF application/agreement, and all other obligations set forth in the application/agreement and the Resolution approving the TJIF award.

The maximum TJIF award is based on the Project's Capital Investment. For Capital Investment in real property, the incentive over the six-year period subsequent to the Project's Capital Investment appearing on the tax roll may not exceed 1.70 percent of the value of the Project's Capital Investment made by the Company, unless the TJIF Project is eligible for the following bonuses:

- a. An additional 0.175 percent of the Project's Capital Investment in taxable real property if the project is a Miami-Dade County "green certified" business, as applicable, before the first disbursement.
- b. An additional 0.175 [percent] of the Project's Capital Investment in taxable real property if the Project is located within a Designated Priority Area.
- c. An additional 0.05 percent of the Project's Capital Investment in taxable real property if the Project is located in a "green certified" building under one of the following certification systems:
  - (1) U.S. Green Building Council Silver-level certified building under the New Construction, Core and shell, Healthcare, Retail, Commercial Interior, Retail Interior, Existing Building or equivalent applicable LEED rating, or comparable third party certification;
  - (2) Green Globes 3 globes-level certified building under the New Construction or Continual Improvement of Existing Building rating.
- d. An additional 0.05 percent of the Project's Capital Investment in taxable real property if the Project's principal business activity is in the manufacturing, installation, and repair of Solar

Commissioners approved TJIF application/agreement, and all other obligations set forth in the application/agreement and the Resolution approving the TJIF award.

The maximum TJIF award is based on the Project's Capital Investment. For Capital Investment in real property, the incentive over the ten-year period subsequent to the Project's Capital Investment appearing on the tax roll may not exceed 2.140 percent of the value of the Project's Capital Investment made by the Company, unless the TJIF Project is eligible for the following bonuses:

- a. An additional .220 percent of the Project's Capital Investment in taxable real property if the project is a Miami-Dade County "green certified" business, as applicable, before the first disbursement.
- b. An additional .220 percent of the Project's Capital Investment in taxable real property if the Project is located within a Designated Priority Area.
- c. An additional .063 percent of the Project's Capital Investment in taxable real property if the Project is located in a "green certified" building under one of the following certification systems:
  - (1) U.S. Green Building Council Silver-level certified building under the New Construction, Core and shell, Healthcare, Retail, Commercial Interior, Retail Interior, Existing Building or equivalent applicable LEED rating, or comparable third party certification;
  - (2) Green Globes 3 globes-level certified building under the New Construction or Continual Improvement of Existing Building rating.
- d. An additional .063 percent of the Project's Capital Investment in taxable real property if the Project's principal business activity is in the manufacturing, installation, and repair of Solar

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Thermal and Photovoltaic energy production or other clean energy products.

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

- a. An additional 0.175 [percnt] of the Project's Capital Investment in tangible personal property if the project is a Miami-Dade County "green certified" business, as applicable, before the first disbursement.
- b. An additional 0.175 [percent] of the Project's Capital Investment in tangible personal property if the Project is located within a Designated Priority Area.
- c. An additional 0.05 percent of the Project's Capital Investment in tangible personal property if the Project is located in a "green certified" building under one of the following certification systems:
  - (1) U.S. Green Building Council Silver-level certified building under the New Construction, Core and shell, Healthcare, Retail, Commercial Interior, Retail Interior, Existing Building or equivalent applicable LEED rating, or comparable third party certification;
  - (2) Green Globes 3 globes-level certified building under the New Construction or Continual Improvement of Existing Building rating.
- d. An additional 0.05 percent of the Project's Capital Investment in tangible personal property if the Project's principal business activity is in the manufacturing, installation, and repair of Solar Thermal and Photovoltaic energy production or other clean energy products.

Thermal and Photovoltaic energy production or other clean energy products.

For Capital Investment in tangible personal property, the incentive over the ten-year period subsequent to the Project's Capital Investment appearing on the tax roll, may not exceed 1.440 percent of the Project's Capital Investment made by the Company, unless the TJIF Project is eligible for the following bonuses:

- a. An additional .220 percent of the Project's Capital Investment in tangible personal property if the project is a Miami-Dade County "green certified" business, as applicable, before the first disbursement.
- b. An additional .220 percent of the Project's Capital Investment in tangible personal property if the Project is located within a Designated Priority Area.
- c. An additional .063 percent of the Project's Capital Investment in tangible personal property if the Project is located in a "green certified" building under one of the following certification systems:
  - (1) U.S. Green Building Council Silver-level certified building under the New Construction, Core and shell, Healthcare, Retail, Commercial Interior, Retail Interior, Existing Building or equivalent applicable LEED rating, or comparable third party certification;
  - (2) Green Globes 3 globes-level certified building under the New Construction or Continual Improvement of Existing Building rating.
- d. An additional .063 percent of the Project's Capital Investment in tangible personal property if the Project's principal business activity is in the manufacturing, installation, and repair of Solar Thermal and Photovoltaic energy production or other clean energy products.

An additional 0.150 percent of the total amount of



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A Company may not receive award payments of more than twenty-five (25) percent of the total awards specified in the approved application/agreement in any fiscal year even if all the New Jobs are created in one (1) year. Further, a Company may not receive more than \$1.5 million in awards in any single fiscal year, or more than \$2.5 million in any single fiscal year if the project is located in a Designated Priority Area. A Company may not receive more than \$5 million in award payments in all fiscal years, or more than \$7.5 million if the project is located in a Designated Priority Area. The Board of County Commissioners, at its discretion, may waive the applicable \$5 million or \$7.5 million total award cap at the request and recommendation of The Beacon Council and the County Mayor or the County Mayor's designee. However, in no event shall the total award exceed the amount of countywide general fund ad valorem property taxes paid in as a result of the Project. While a Company can receive funds under the County's Enterprise Zone Program under Section 29-81, et al. of the County Code, the State of Florida Qualified Target Industry Program and the County's TJIF Program in the same year, the County's total incentive award under all three (3) programs is capped at the maximum TJIF award as specified in Section 2-1258.

Project's Capital Investment in taxable real property and tangible personal property for every 50 New Jobs created. ("New Jobs Bonus")

A Company may not receive award payments of more than twenty-five (25) percent of the total awards specified in the approved application/agreement in any fiscal year even if all the New Jobs are created in one (1) year. Further, a Company may not receive more than \$1.5 million in awards in any single fiscal year, or more than \$2.5 million in any single fiscal year if the project is located in a Designated Priority Area. A Company may not receive more than \$5 million in award payments in all fiscal years, or more than \$7.5 million if the project is located in a Designated Priority Area. Notwithstanding the foregoing, to the extent that the TJIF Project is eligible for the New Jobs Bonus, the twenty-five percent limitation on annual payments shall be waived for the final payment. The Board of County Commissioners, at its discretion, may waive the applicable \$5 million or \$7.5 million total award cap at the request and recommendation of The Beacon Council and the County Mayor or the County Mayor's designee. However, in no event shall the total award exceed the amount of countywide general fund ad valorem property taxes paid in as a result of the Project. While a Company can receive funds under the State of Florida Qualified Target Industry Program and the County's TJIF Program in the same year, the County's total incentive award under the two (2) programs is capped at the maximum TJIF award as specified in Section 2-1258.

**RER Input:**

Breakdown of TJIF program participants over the last three fiscal years (cumulative values of FY2015-16, FY2016-17, and FY2017-18):

- 1) Cash incentive received: \$1,217,224
- 2) Capital incentive received/paid out to the TJIF companies: \$498,400,959
- 3) Number of jobs created: 753
- 4) Qualifying industries:
  - Global/National/Regional Headquarters expansion for aviation, television broadcasting and automobile companies
  - Manufacturing (Commercial cooling systems)
  - One company received a targeted industry waiver (Amusement, Hospitality and Corporate office)