Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(K)(1)(C)
02-06-07

OFFICIAL FILE COPY
CLERK OF THE BOARD
OF COUNTY COMMISSIONERS
MIAMI-DADE COUNTY, FLORIDA

RESOLUTION NO. R-139-07

RESOLUTION RECOMMENDING THAT CONFIDENTIAL PROJECT #07-00117 BE APPROVED AS A QUALIFIED TARGET INDUSTRY BUSINESS PURSUANT TO FLORIDA STATUTES S-288.106, CONFIRMING THAT THE COMMITMENTS OF LOCAL FINANCIAL SUPPORT NECESSARY FOR CONFIDENTIAL PROJECT #07-00117 EXIST; AND PROVIDING AN APPROPRIATION OF UP TO $90,000 FROM GENERAL REVENUE FUNDS AS LOCAL PARTICIPATION IN THE STATE OF FLORIDA QUALIFIED TARGET INDUSTRY TAX REFUND PROGRAM FOR FISCAL YEARS 2008, 2009, 2010, 2011, 2012, 2013 OR OVER A TIME PERIOD AS DETERMINED BY THE STATE OF FLORIDA IN ITS APPROVAL OF CONFIDENTIAL PROJECT #07-00117 APPLICATION WITH THE PROVISO THAT ANY TAX ABATEMENT GRANTED TO CONFIDENTIAL PROJECT #07-00117 UNDER FLORIDA STATUTE 196.1995 REDUCES ANY QUALIFIED TARGET INDUSTRY TAX REFUND TO CONFIDENTIAL PROJECT #07-00117 BY THE AMOUNT OF ANY SUCH TAX ABATEMENT GRANTED, IN COMPLIANCE WITH FLORIDA STATUTE 288.106(5)9(C); AND PROVIDING FOR AN EFFECTIVE DATE

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

WHEREAS, said industries include enterprises like Confidential Project #07-00117, that relocate, expand or otherwise increase their operations within the County, and which increase employment by at least ten (10) 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 provide high quality employment for residents of the County and enhance the County's economic foundations and recommends that Confidential Project #07-00117 be approved as a qualified

# MEMORANDUM

**(Revised)**

**TO:** Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

**DATE:** February 6, 2007

**FROM:** Murray A. Greenberg
County Attorney

**SUBJECT:** Agenda Item No. 8(K)(1)(C)

**Please note any items checked.**

_____ **"4-Day Rule" ("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**

_____ **Bid waiver requiring County Manager's written recommendation**

_____ **Ordinance creating a new board requires detailed County Manager's report for public hearing**

_____ **Housekeeping item (no policy decision required)**

_____ **No committee review**

target industry business pursuant to Florida Statute 288.16, which created the Qualified Target Industry Tax Refund Program.

The applicant's new business activity will be located within the County's Miami-Dade Enterprise Zone.

The necessary commitment of local financial support for Confidential Project #07-00117, as required under Florida Statute 288.106, exists in an amount not to exceed $90,000 from General Revenue Funds; and that this local financial support will be available in the following increments:

| | |
|---|---|
| Fiscal Year 2008 | $15,000 |
| Fiscal Year 2009 | $15,000 |
| Fiscal Year 2010 | $15,000 |
| Fiscal Year 2011 | $15,000 |
| Fiscal Year 2012 | $15,000 |
| Fiscal Year 2013 | $15,000 |
| **Total** | **$90,000** |

or payable over a time period and at annual amounts as determined by the State of Florida in its approval of Confidential Project #07-00117 application, as long as the $90,000 total is not exceeded with the proviso that any tax abatement granted to Confidential Project #07-00117 under Florida Statute 196.1995 reduces any QTI tax refund by the amount of any such tax abatement granted, in compliance with Florida Statute 288.106(5)(c); and 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 #07-00117 in compliance with the QTI Program, including the requirement that at least ten (10) jobs be created.

The necessary commitment of local financial support shall be contingent on Confidential Project #07-00117 maintaining the jobs during the life of the incentive and ensuring that its hiring

practices are consistent with and reflect the diversity of the Miami-Dade County community.

The foregoing resolution was offered by Commissioner Sally A. Heyman who moved its adoption. The motion was seconded by Commissioner Joe A. Martinez and upon being put to a vote, the vote was as follows:

Bruno A. Barreiro, Chairman aye
Barbara J. Jordan, Vice-Chairwoman aye

| | | | |
|---|---|---|---|
| Jose "Pepe" Diaz | aye | Audrey M. Edmonson | aye |
| Carlos A. Gimenez | aye | Sally A. Heyman | aye |
| Joe A. Martinez | aye | Dennis C. Moss | aye |
| Dorrin D. Rolle | aye | Natacha Seijas | aye |
| Katy Sorenson | aye | Rebeca Sosa | aye |
| Sen. Javier D. Souto | aye | | |

The Chairperson thereupon declared the resolution duly passed and adopted this 6th day of February, 2007. 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: KAY SULLIVAN
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Shannon D. Summerset

# Memorandum

MIAMI-DADE COUNTY

**Date:** February 6, 2007

**To:** Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

Agenda Item No. 8(K)(1)(C)

**From:** George M. Burgess
County Manager

**Subject:** Resolution Approving Qualified Target Industry Tax Refund for Confidential Project #07-00117

---

**RECOMMENDATION**

It is recommended that the Board approve the attached resolution that recommends Confidential Project #07-00117 be approved as a Qualified Target Industry (QTI) business. The attached documents relating to the support for a QTI tax refund, under the State of Florida QTI tax refund program pursuant to Florida Statutes Section 288.106, have been prepared by the Office of Community and Economic Development in conjunction with the Beacon Council.

| | |
|---|---|
| APPLICANT: | Confidential Project # 07-00117 |
| HEADQUARTERS LOCATION: | North Miami |
| PROPOSED LOCATION IN MIAMI-DADE COUNTY: | North Miami |
| OTHER LOCATIONS UNDER CONSIDERATION: | Illinois, Georgia |
| DATE OF QTI APPLICATION TO STATE: | November, 2006 |
| OVERALL BUSINESS ACTIVITY/MISSIONS: | Financial services (Insurance company) |
| PROPOSED LOCAL BUSINESS ACTIVITY: | To expand its global headquarters in Miami-Dade County |
| PROPOSED CAPITAL INVESTMENT: | $16,000,000 |
| TARGETED INDUSTRY: | Financial services |
| PROPOSED LOCATION IN ENTERPRISE ZONE: | Yes |
| NEW BUSINESS OR EXPANDING BUSINESS: | Expanding business |
| NUMBER OF DIRECT JOBS TO BE CREATED: | 75 |
| INDIVIDUAL ANNUALIZED WAGES FOR NEW JOBS: | $40,000 |

| | |
|---|---|
| ANNUAL EMPLOYEE BENEFIT PACKAGE: | $10,800 |
| NUMBER OF INDIRECT JOBS TO BE CREATED | 38 |
| NUMBER OF YEARS TO CREATE NEW JOBS: | 3 |
| MAXIMUM TAX REFUND PER JOB: | $6,000 |
| MAXIMUM TAX REFUND APPLIED FOR: | $450,000 |
| EST. INCREMENTAL COUNTY TAX REVENUE: | $541,006 |
| COUNTY'S 20% MAXIMUM CONTRIBUTION: | $90,000 |
| STATE 80% MAXIMUM CONTRIBUTION: | $360,000 |
| TYPE OF FUNDS REQUESTED IN APPLICATION: | General Funds |
| COMMENTS: | Information for this item was provided by The Beacon Council. |

Attachments

Cynthia W. Curry
Senior Advisor to the County Manager

THE BEACON COUNCIL

December 7, 2006

RECEIVED
DEC 11 2006
County Manager's Office
Cynthia W. Curry

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

Ms. Cynthia Curry
Senior Advisor
Miami-Dade County
111 NW 1st Street
Suite 2910
Miami, FL 33128

Dear Ms. Curry:

Enclosed you will find an application for the State of Florida's Qualified Targeted Industry Tax Refund Program (QTI). The Company, Confidential Project #07-00117, is expanding. They are applying for the QTI program and will create 75 new jobs by 2009 with an average salary of $40,000.00 and a new capital investment of approximately $16,000,000 for the purchase of new equipment and construction/ renovation of a building in Miami-Dade County.

Confidential Project #07-00117, is expanding in Miami-Dade County. This company has requested confidentiality.

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 $90,000 be paid over~~ a period of six years ($15,000 per year). Attached is the project economic impact analysis prepared by the Beacon Council Research Department.

We are requesting that the item be placed on the Agenda of The Community Empowerment and Economic Revitalization Committee Meeting scheduled for January 16, 2007 and the Miami-Dade Board of County Commissioners meeting scheduled for February 20, 2007.

We look forward to working together for the benefit of the economic development of Miami-Dade County. Please let us know prior to the agenda deadline if there is information required to make sure that the application goes before the appropriate Committee/Board in a timely manner. If you have any questions, please contact me at (305) 579-1343.

Sincerely,

Stephen Beatus
Associate Executive Vice President
Business Expansion, Retention, Recruitment and Urban Initiatives

Enclosures

Cc: Mr. Rick Glasgow, Director OCED
Ms. Alina Hudak, Assistant County Manager

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# Qualified Targeted Industry Tax Refund (QTI)

**Confidential Project #: 07-00117**

**Prepared by The Beacon Council**
**December 2006**

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## Executive Summary

Confidential Project #07-00117 is a Miami-Dade County based financial services (insurance) company. The Company is headquartered in North Miami Dade with offices throughout the United States. The Company will expand its local headquarters in Miami-Dade County creating 75 new jobs by 2009, with an average salary of $40,000 and a new capital investment of approximately $16,000,000 for the purchase of new equipment and the construction/ renovation of a facility. Location alternatives for the company are to remain in Miami-Dade County or relocate to Illinois or Georgia.

- Confidential Project #: 07-00117 will have a new capital investment of $16,000,000 in Miami-Dade County. The Company is committed to creating 75 new full-time jobs within the first three years. All job creation will be for headquarter operations. The average annualized salary of the new jobs is $40,000.

- The Company plans to occupy 100,000 new square feet in its headquarter facility.

- The State of Florida is in the process of finalizing approval of the Qualified Targeted Industry Tax Refund application which will provide 80% of the incentive.

- This is a performance-based incentive. No funds will be provided to the Company until they meet all program requirements.

- **General Funds derived from the incremental tax revenue will be used to fund the county contribution. CDBG Funds will not be used.**

## INCENTIVE PROPOSAL SUMMARY

| | |
|---|---|
| Project Name | 07-00117 |
| New Jobs | 75 |
| Average Salary | $40,000.00 |
| New Capital Investment | $16,000,000 |
| Square Footage | 100,000 |

## QUALIFIED TARGETED INDUSTRY TAX REFUND (QTI)

| | |
|---|---|
| State of Florida Amount (80%) | $360,000 |
| Miami-Dade County Match (20%) | $90,000 |
| Total QTI Amount | $450,000 |

## RETURN ON INCENTIVE INVESTMENTS (ROII)

| | |
|---|---|
| Miami-Dade Incremental Tax Revenue | $541,006 |
| Miami-Dade County QTI Match | $90,000 |
| Net Revenue Benefit to Miami-Dade | 451,006 |
| Total ROII | 6.0 |

# GENERAL PROJECT OVERVIEW

Name of Business

Headquarters

Project Title (1-5 word description)

FOR EF USE ONLY

Date Received | Date Completed

Project Number

It is suggested that you contact Enterprise Florida at the below address to discuss your project and application **before** submitting a formal proposal

The completed and signed application must be filed with:

Enterprise FLORIDA, Inc.

**The Atrium Building, Suite 201 • 325 John Knox Road**
**Tallahassee, Florida 32303**
**850/488-6300 • Fax: 850/922-9595**
http://www.eflorida.com/

Effective 07/01/01

# Employer Identification

BUSINESS INFORMATION:

1. a) Name of Business Unit: _____

   b) Mailing Addres _____

   c) Name of Parent Company (if applicable): Not Applicable

   d) Primary business unit contact:
   Name: _____ Title: _____
   Company: _____
   Address: _____
   Phone: _____ Fax: _____
   Email: _____ Website: _____

   e) Business unit's federal employer identification number: _____

   f) Business unit's unemployment compensation identification number: _____

   g) Business unit's Florida sales tax registration number: _____

   h) List NAICS and SIC codes of all activities of the business unit: _____
   Targeted Industry: NAICS - 524126 SIC -- 6331

   i) Describe the business unit's primary business activities: Financial Services & Insurance

2. a) Is the business unit minority owned: _____ YES XX NO

   b) If YES, explain: Not Applicable

3. Business unit's tax year (ex: Jan. 1 – Dec. 31): January 1 to December 31

# Project Identification/Information

4. a) Is the business unit a (please choose one):
   ☐ A new business unit to Florida
   ☒ An expansion of an existing Florida business unit

   b) If an expansion, how many Florida employees are currently in the expanding business unit[1,2]? 502

   c) How many individuals are employed in *ALL* Florida locations? 669

[1] Existing Florida employees cannot be included for consideration in certain incentive awards.
[2] Incentives may not be used in connection with any project that involves the relocation of jobs from one Florida community to another.

5. Full project description: Within the next 18 months, must identify a location for its new corporate headquarters in either Florida, Georgia or Illinois in that its current home office has been sold effective March, 2008. must also plan for expansion of its headquarters to address continued expansion at a 10 to 15 percent rate

6. Check the appropriate box and complete the line item:

[XX] Project's current location address, if applicable: _____

[ ] Project's proposed location address, if different from above: _____

7. a) Located on Brownfield Site or in a Brownfield Area? ____ YES XX NO
(Please attach a copy of the official document that designated this area a brownfield area.)

b) Will project be locating or expanding in an Enterprise Zone?
XX YES ____ NO Which Zone: Central

c) Will project be locating in a designated rural area?
____ YES XX NO Which designated rural area: _____

8. County in which project is/will be located: Dade County, Florida

9. Indicate the portion of the project (if any) that will be performing headquarters functions 100 % and check the box that best defines your project. Answer a) *AND* b):

a) [X] Multistate business enterprise
[ ] Multinational business enterprise

b) [ ] Regional headquarters office
[X] National headquarters office
[ ] International headquarters office

10. Unless this is *solely* a designated headquarters project, please estimate percentage of gross receipts or final sales resulting from project that will be made outside of Florida: N/A %

11. Indicate the portion of the project (if any) that will be performing non-headquarters functions. Enter the industry description and code of each industry included in this project:

| Business unit Activities | | 5-6 digit NAICS Code | 4 digit SIC Code |
|---|---|---|---|
| N/A | % | | |
| | % | | |
| | % | | |

12. List the 5-6 digit NAICS and 4 digit SIC code(s), estimated employment, and the *annualized* average wage (not including benefits) for activities included in the project:

NAICS/SIC 524126/ 6331 Est. Employment 75 Annualized Wage $40,000.00
NAICS/SIC _____ Est. Employment _____ Annualized Wage $ _____
NAICS/SIC _____ Est. Employment _____ Annualized Wage $ _____

13. a) *Anticipated* annualized average wage (not including benefits) of the new to Florida jobs created by the project at the business unit: $ 40,000.00
(Cash performance bonuses and other cash payments to the employees, such as overtime, should be included. The anticipated wage reported here is only an estimate of the average wage to be paid. The wage indicated in response to an incentive attachment, if applicable, will be used in the certification, agreement, and claim evaluation process.)

b) *Annualized* average value of *benefits* associated with each new job created by the project at the business unit: $ 10,800.00 (27%)

14. a) Describe the capital investment in real and personal property (examples: construction of new facility; remodeling of facility; upgrading, replacing or buying new equipment. Do not include the value of land purchased for construction of a new building): Remodeling of an existing facility with an estimated renovation cost of $16,000,000

b) List the anticipated amount (within three (3) years) and type (purchase of machinery/equipment, construction of buildings, etc.) of major capital investment to be made by the applicant in connection with this Florida project:

Amount $ 15,000,000 Construction/Renovations
Amount $ Manufacturing Equipment
Amount $ 1,000,000 Other Equipment

c) Estimated square feet of new or newly expanded facility: 100,000

15. Anticipated date of beginning of construction for this project: 2/01/07

16. Anticipated date project will be in operation: 3/01/08

# Project Impact Information

17. What role will the incentive (or incentives) play in the decision of the applicant to locate or expand in this state? (If there are other states/communities competing for this project, please list which states/communities and what incentives are being offered by these states/communities.)

Florida - Incentives will play a major role because without the incentives, the other states would be more attractive.
Illinois is a competitive location because Succession Plan for the retirement of its current CEO involves a successor CEO who is a permanent resident of Oak Brook, Illinois.
Georgia is a competitive location because it would be a centralized compromise as between Florida and Illinois to serve four largest markets - Florida, Georgia, Illinois and Texas.



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18. **Provide a brief synopsis on the special impacts the project is expected to stimulate in the community, the state or regional economy, focusing on economic conditions in the area, including the unemployment rate in the community where the project will be located.**

With a staff of 669 employees and a payroll of $33,072,327.42, will have a significant economic impact on the county where it locates its headquarters. Furthermore, is projecting growth from its current 2006 volume, which is expected to be in excess of $430 million, at a rate of 10 to 15 percent annually with a corresponding increase in its staffing needs and payroll.

19. a) **A brief review of the applicant's past activities in Florida and in other states, particularly as they relate to environmental and growth management impacts and how these have been handled. (Basically, what kind of corporate citizen has the applicant been?)**

As a corporate citizen, has focused on providing charitable contributions to a number of different organizations in the South Florida communities where the company is active. In 2005, contributed in excess of $2.0 million.

b) **Any criminal or civil fines or penalties and any awards. (If yes, please explain)**

has never been subjected to any criminal fines, whereas Department of Insurance examinations have resulted in administrative penalties, but only in the normal course of business.

20. **You may request that your project information (including the information contained in this application) be confidential per F.S. 288.075, Confidentiality of Records.**

XX YES, we Request Confidentiality

_____ NO, we do not Request Confidentiality

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

**Application completed by:**

Charles J. Grimsley

(Signature)

(Print or Type Name & Title)

(Company)

(Phone Number)

(Fax Number)

November 27, 2006

(Date)

(E-mail Address)

(Contact Person, if different)

(E-mail Address if different)

(Address if different)

(Phone if different)

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

(Signature of Authorized Officer)

(Print or Type Name of Authorized Officer)

(Print or Type Title of Authorized Officer)

(Company)

(Phone Number)

(Fax Number)

November 27, 2006

(Date)

(E-mail Address)

# Qualified Target Industry Tax Refund
# as an attachment to the
# General Project Overview for

_____ _____ _____

**(Name of Business)**

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

07-00117

**(Project Code or Number)**

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

   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.

   The 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 10, plus $1,000 per job if the average annual wage exceeds the area's average by 150% or $2,000 per job if the average annual wage is in excess of 200%. However, the QTI award may not exceed five times the local financial support paid by the community.

2. Project employment and wages:
   a) Total number of "net-new-to-Florida" jobs created by the project at the business unit indicated on Overview: 75

   b) Are any employees being transferred from another Florida location[1]? No
   If employees are being transferred from another Florida location(s), how many and from where? Not Applicable
   If employees are being transferred from another Florida location(s), why are they moving and why is it justified in light of 288.106(2)(b)[2] Florida Statute? Not Applicable

   c) If jobs are to be phased in, provide the date when each phase of employment will be fully implemented: (Please limit the phases to three consecutive years with job creation of at least 10 per year.)

| Phase | Number of "net-new-to-Florida" jobs created in business unit[3] | Date by which those jobs will be created |
|---|---|---|
| I | 20 | 12/31/ 07 |
| II | 25 | 12/31/ 08 |
| III | 30 | 12/31/ 09 |
| TOTAL | 75 | |

[1] Existing Florida employees cannot be included for consideration in certain incentive awards.
[2] Florida Statute, 288.106 (2)(b) specifically prohibits the awarding of QTI in connection with any project that involves moving jobs from one Florida community to another except given very specific, clearly demonstrated, circumstances.
[3] Must be a minimum of 10 new jobs or a 10 percent increase (whichever is greater) in existing employment, unless the project is located in a rural community or Enterprise Zone.

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

a) $ 39,591 which is 115% of the 2004 (year) average wage of $34,427 in State of Florida

b) $_____ which is 150% of the _____ (year) average wage of $_____ in _____

c) $_____ which is 200% of the _____ (year) average wage of $_____ in _____ (Enter the name of the county, MSA, or "Florida")

Amount of "Local Financial Support" identified by local governing body
$ 90,000.00

| Type of Support | Amount of Support |
|---|---|
| Cash | $ 90,000.00 |
| Ad Valorem Tax Abatement[1] | $ |
| Land Grant by Local Governing Body[1] | $ |
| Waived[1,2] | $ |

[1] Refund paid to Business unit will be reduced by this amount.
[2] Only available in Rural Counties.

(Attach the resolution adopted by the local governing body recommending the applicant be approved as a QTI Business unit and indicating the level of local financial support that has been committed. Clearly indicate waivers requested and justification for such waiver.)

**PLEASE BE SURE TO ATTACH TO THE GENERAL PROJECT OVERVIEW.**

Signature of individual completing this portion (If different from General Overview) _____ Date _____

Address If Different) _____ Phone _____

Signature of Authorized Officer _____ Date November 27, 2006

Please print or type name of Authorized Officer _____

## INCENTIVE PROPOSAL CHECKLIST

| | |
|---|---|
| 1. Enterprise Zone: | Yes |
| 2. Total Number of New Jobs Projected | 75 |
| 3. Average Salary per Job | $40,000 |
| 4. New Capital Investment | $16,000,000 |
| 5. New Square Footage | 100,000 |
| 6. Per Job Incentive | $6,000 |

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

75 New Jobs Over 3 Year(s)

### TOTAL QTI TAX REFUND

| | |
|---|---|
| 1. State of Florida Portion (80%) | $360,000 |
| 2. Miami-Dade County Match (20%) | $90,000 |
| Total QTI Tax Refund Proposal | $450,000 |

### RETURN ON INCENTIVE INVESTMENT (ROII)

| | |
|---|---|
| 1. Miami-Dade County Incremental Tax Revenue* | $541,006 |
| 2. Total Miami-Dade County (20%) QTI Match | $90,000 |
| 3. Miami-Dade County Net Revenue Benefit | $451,006 |
| Total ROII Gain/Loss/Breakeven | 6.0 |

* See Economic Impact Model

## SUMMARY OF ECONOMIC IMPACT

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 | 75 |
| Indirect Employment | 38 |
| **Total Employment Gain** | **113** |
| ***Income from Wages*** | |
| Direct Employment | $15,384,800 |
| Indirect Employment | $3,846,200 |
| **Total Income Gain** | **$19,231,000** |
| ***Revenue to Miami-Dade County*** | |
| **Total Property Taxes** | **$531,660** |
| **Total Local Sales Taxes** | **$9,346** |
| **Total Tax Revenue Gain** | **$541,006** |
| **Total Miami-Dade County (20%) QTI Match** | **$90,000** |
| **Miami-Dade County Net Revenue Benefit** | **$451,006** |

THE BEACON COUNCIL ECONOMIC IMPACT MODEL

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | TOTAL |
|---|---|---|---|---|---|---|---|
| **EMPLOYMENT** | | | | | | | |
| Total Direct Jobs | 20 | 45 | 75 | 75 | 75 | 75 | |
| Indirect Employment | 10 | 23 | 38 | 38 | 38 | 38 | |
| **TOTAL EMPLOYMENT** | 30 | 68 | 113 | 113 | 113 | 113 | |
| **INCOME ($1,000)** | | | | | | | |
| **WAGES & SALARY** | | | | | | | |
| Total Direct Wages | $800.0 | $1,854.0 | $3,182.7 | $3,182.7 | $3,182.7 | $3,182.7 | $15,384.8 |
| Total Indirect Wages | $200.0 | $463.5 | $795.7 | $795.7 | $795.7 | $795.7 | $3,846.2 |
| **TOTAL WAGES & SALARIES** | $1,000.0 | $2,317.5 | $3,978.4 | $3,978.4 | $3,978.4 | $3,978.4 | $19,231.0 |
| **TOTAL INCOME** | $1,000.0 | $2,317.5 | $3,978.4 | $3,978.4 | $3,978.4 | $3,978.4 | $19,231.0 |
| **INCREMENTAL PROPERTY TAXES ($1,000)** | | | | | | | |
| **Building & Equipment Taxes** | | | | | | | |
| TOTAL PROPERTY TAXES | $331.9 | $329.9 | $328.0 | $326.3 | $324.8 | $323.5 | $1,964.4 |
| MIAMI-DADE PROPERTY TAXES | $89.8 | $89.3 | $88.8 | $88.3 | $87.9 | $87.5 | $531.7 |
| **SALES TAXES ($1,000)** | | | | | | | |
| **Available Income** | $1,000.0 | $2,317.5 | $3,978.4 | $3,978.4 | $3,978.4 | $3,978.4 | $19,231.0 |
| Less Federal Income Tax | $800.0 | $1,854.0 | $3,182.7 | $3,182.7 | $3,182.7 | $3,182.7 | $15,384.8 |
| Less Hous, Ins, Prop Tax | $600.0 | $1,390.5 | $2,387.0 | $2,387.0 | $2,387.0 | $2,387.0 | $11,538.6 |
| Less Savings, Life Insur. | $540.0 | $1,251.5 | $2,148.3 | $2,148.3 | $2,148.3 | $2,148.3 | $10,384.7 |
| Less Food, Drugs, Other Non-Tax | $405.0 | $938.6 | $1,611.2 | $1,611.2 | $1,611.2 | $1,611.2 | $7,788.6 |
| **Avail. Income For Sales Tax** | $405.0 | $938.6 | $1,611.2 | $1,611.2 | $1,611.2 | $1,611.2 | $7,788.6 |
| State Sales Tax Realized | $24.3 | $56.3 | $96.7 | $96.7 | $96.7 | $96.7 | $467.3 |
| Local Sales Tax Realized | $0.5 | $1.1 | $1.9 | $1.9 | $1.9 | $1.9 | $9.3 |
| **TOTAL SALES TAXES ($1,000)** | $24.8 | $57.4 | $98.6 | $98.6 | $98.6 | $98.6 | $476.7 |
| **TOTAL MIAMI-DADE PROPERTY & SALES TAXES ($1,000)** | $90.3 | $90.4 | $90.7 | $90.3 | $89.8 | $89.5 | $541.0 |
| **TOTAL PROPERTY & SALES TAXES ($1,000)** | $356.7 | $387.3 | $426.6 | $424.9 | $423.4 | $422.1 | $2,441.1 |

# THE BEACON COUNCIL ECONOMIC IMPACT MODEL - ASSUMPTIONS

**Employment Assumptions**

*New Direct Permanent Jobs*

| | |
|---|---|
| **Year 1** | 20 |
| **Year 2** | 45 |
| **Year 3** | 75 |
| **Year 4** | 75 |
| **Year 5** | 75 |
| **Year 6** | 75 |

*Incremental Multiplier* 0.50

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

**Capital Investment**

| | Total Cap. Inv. |
|---|---|
| **Y1 Value** | $16,000,000 |
| **Y2 Value** | $15,900,000 |
| **Y3 Value** | $15,810,000 |
| **Y4 Value** | $15,729,000 |
| **Y5 Value** | $15,656,100 |
| **Y6 Value** | $15,590,490 |

| | Realty Prop. | Equip. |
|---|---|---|
| Y1 | $15,000,000 | $1,000,000 |
| Y2 | $15,000,000 | $900,000 |
| Y3 | $15,000,000 | $810,000 |
| Y4 | $15,000,000 | $729,000 |
| Y5 | $15,000,000 | $656,100 |
| Y6 | $15,000,000 | $590,490 |

**Annual Income Assumptions**

| | |
|---|---|
| Yearly Salary, Direct Permanent Job | $40,000 |
| Indirect Job Salary | $20,000 |
| **Inflation** | 103% |

**Property/Real Estate Taxes**

| | |
|---|---|
| Mill Rate, Less Dade's Revenue | 0.01513 |
| Miami-Dade's Revenue Mill Rate | 0.00562 |
| Miami-Dade's Total Mill Rate | 0.02075 |
| Assessment Value of Real Property | 90% |

**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 | 0.12% |
| Total Sales Tax | 6.12% |