

Memorandum



Date: May 4, 2010

To: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

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

From: George M. Burgess
County Manager

A handwritten signature in black ink, appearing to read "Burgess", written over the printed name of George M. Burgess.

Resolution No. R-490-10

Subject: Resolution Approving Qualified Target Industry Tax Refund for Confidential Project #10-00080

Recommendation

The Beacon Council, on behalf of a firm that requests confidentiality, has submitted applications for economic development incentives from the State of Florida and Miami-Dade County. These requests require approval from the Board of County Commissioners (BCC). It is recommended that the BCC approve the attached resolution authorizing Confidential Project 10-00080 to be recognized by the State as a Qualified Target Industry (QTI) business and entitled to the financial benefits afforded under the QTI tax refund program.

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

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

The applicant is also requesting economic incentives from the County's Targeted Jobs Incentive Fund (TJIF) as set forth in the County Code of Ordinances Chapter 2, Sections 1251 through 1260. The TJIF application is a separate item for BCC consideration on this agenda.

Scope

The firm is considering locations within Miami-Dade County's Enterprise Zone and is most likely to locate within District 6. The major share of economic and fiscal impacts is anticipated to occur within District 6; however, the overall economic impacts will benefit the entire County through economic multiplier effects.

The firm applying for both QTI and TJIF incentives currently has operations in Miami-Dade, but seeks to develop a facility that is more suited to its size and anticipated growth. The company is not only considering a new location within the County, but is also considering relocating to a South American country and transferring some of the local employment positions to the parent company's headquarters in the U.S., outside of Florida.

Fiscal Impact / Funding Source

Confidential Project 10-00080 is requesting a combined QTI and TJIF incentive from Miami-Dade countywide general fund revenues to be disbursed over a six-year period beginning in FY 2013-14. The request for BCC approval of the TJIF incentive is part of another item on this same agenda.

Confidential Project 10-00080 assures that it will invest \$42 million in taxable real and personal property, generating incremental countywide general fund taxes of \$923,175 over six years (not including an estimated \$10,309 in local sales tax revenues). Confidential Project 10-00080 has applied

for a total of \$320,000 in QTI program funds, of which 80 percent (\$256,000) would be provided by the State of Florida, and 20 percent (\$64,000) from countywide general fund revenues over a six-year period. The County's portion of the QTI award is to be paid as a reimbursement of paid-in countywide general fund taxes received from the applicant. Confidential Project 10-00080 also seeks \$777,167 from countywide general funds under the TJIF program over the same six-year disbursement period. If the QTI and TJIF applications are approved, the County will contribute a total of \$841,167 over a six-year period beginning in FY 2013-14.

Track Record/Monitor

The disbursement of the County's portion of the QTI award and the TJIF award are contingent upon the attainment of the new jobs and the incremental taxable value of capital investment as specified in the approved applications.

QTI funds are awarded for job creation and provided on a matching basis upon verification by the State. The State effectively monitors the creation of the QTI jobs and provides such information to the County. The County's matching funds are distributed only if the applicant complies with the commitment to create the number of new jobs indicated in the accompanying QTI application (*Attachment to the General Project Overview*) and all other conditions of this incentive program. In the event the company is unable to attain the employment targets specified in the application, the business may then be entitled to receive a prorated amount of incentive payments for the additional employment positions achieved.

Economic Impact Overview

Confidential Project 10-00080 is a Hispanic electronic media production company seeking to expand local operations and planning capital investments of \$24 million in real property and \$18 million in taxable personal property. The company is a leading provider of television content for Spanish and Portuguese speaking audiences, and distributes its programming to over 24 million homes in Latin America and the United States.

The firm seeks to develop a facility that is more suited to its size and anticipated growth. Aside from considering a new location within the County, the business may also consider to relocate to a South American country and transfer some of the local employment positions to the parent company's US headquarters, which is outside of Florida.

The company currently employs 385 workers at its Miami-Dade facility and is committing to create an additional five jobs by December 31, 2012, five additional jobs by the end of 2013, and 30 more jobs by the end of 2014. In total, the company is committing to create 40 new jobs by the end of 2014. The company agrees as a condition of the TJIF award that the 40 new workers hired will have an average annual salary of \$80,000 (excluding benefits), which is at least 200 percent of the average wage in Florida and nearly 185 percent of the \$43,284 average wage in Miami-Dade in 2009. The Beacon Council projects that an additional 30 new indirect jobs will result from the company's local purchases of goods and services, as well as consumer spending from labor income directly or indirectly earned from its business activities.

Attachments


Irene Taylor-Wooten
Special Assistant to the County Manager

PROJECT 10-00080 SUMMARY SHEET	
APPLICANT:	Confidential Project #10-00080
HEADQUARTERS LOCATION:	Miami-Dade County (proposed)
PROPOSED LOCATION IN MIAMI-DADE COUNTY:	Enterprise Zone, most likely in District 6
OTHER LOCATIONS UNDER CONSIDERATION:	Mexico, Brazil and Argentina
DATE OF QTI/TJIF APPLICATIONS:	March 2, 2010
OVERALL BUSINESS ACTIVITY/MISSION:	Programming, production and distribution of video educational and entertainment content for cable television.
PROPOSED LOCAL BUSINESS ACTIVITY:	Cable television programming, production and broadcasting to Latin American audiences.
PROPOSED CAPITAL INVESTMENT:	\$42,000,000 (buildings and equipment only)
TARGETED QTI/TJIF INDUSTRIES:	Corporate headquarters/Television Production
PROPOSED LOCATION IN DESIGNATED PRIORITY AREA:	Yes, Enterprise Zone
NEW BUSINESS OR EXPANDING BUSINESS:	Expanding
TOTAL NUMBER OF DIRECT JOBS TO BE CREATED/RETAINED:	40 / 385
EFFORT IN HIRING RESIDENTS IN LOCAL AREA:	unknown
PROJECTED ANNUALIZED AVERAGE WAGES FOR NEW JOBS:	\$80,000
ANNUAL EMPLOYEE BENEFIT PACKAGE:	\$8,000 (not a condition of incentive award)
NUMBER OF INDIRECT JOBS TO BE CREATED:	30
NUMBER OF YEARS TO CREATE NEW JOBS:	3
MAXIMUM TAX REFUND PER JOB DIRECT JOBS CREATED:	\$27,429 (\$21,029 County; \$6,400 State) spread over 6 years.
MAXIMUM INCENTIVE AWARD APPLIED FOR:	\$1,097,167 (\$320,000 QTI; \$777,167 TJIF)
PROJECTED INCREMENTAL COUNTY TAX REVENUE:	\$933,484 (includes \$10,309 in sales tax revenues)
COUNTY'S MAXIMUM 20% QTI AND 100% TJIF AWARDS:	\$841,167 (\$64,000 QTI + \$777,167 TJIF)
STATE'S MAXIMUM 80% QTI AWARD CONTRIBUTION:	\$256,000
TYPE OF FUNDS REQUESTED IN APPLICATION:	Countywide General Fund Revenues
COMMENTS: This summary sheet prepared by OEDC from information and data provided by the Beacon Council.	



MEMORANDUM

(Revised)

TO: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

DATE: May 4, 2010

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

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

Please note any items checked.

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

Approved _____ Mayor

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

Veto _____

5-4-10

Override _____

RESOLUTION NO. R-490-10

RESOLUTION APPROVING CONFIDENTIAL PROJECT NO. 10-00080 AS A QUALIFIED TARGET INDUSTRY BUSINESS PURSUANT TO FLORIDA STATUTE 288.106, CONFIRMING THAT THE COMMITMENTS OF LOCAL FINANCIAL SUPPORT NECESSARY FOR CONFIDENTIAL PROJECT NO. 10-00080 EXIST; PROVIDING AN APPROPRIATION OF UP TO \$64,000 FROM GENERAL REVENUE FUNDS AS LOCAL PARTICIPATION IN THE STATE OF FLORIDA QUALIFIED TARGET INDUSTRY TAX REFUND PROGRAM FOR FISCAL YEARS 2014 THROUGH 2019, INCLUSIVE, OR OVER A TIME PERIOD AS DETERMINED BY THE STATE OF FLORIDA IN ITS APPROVAL OF CONFIDENTIAL PROJECT NO. 10-00080 APPLICATION WITH THE PROVISION THAT ANY TAX ABATEMENT GRANTED TO CONFIDENTIAL PROJECT NO. 10-00080 UNDER FLORIDA STATUTE 196.1995 REDUCES ANY QUALIFIED TARGET INDUSTRY TAX REFUND TO CONFIDENTIAL PROJECT NO.10-00080 BY THE AMOUNT OF ANY SUCH TAX ABATEMENT GRANTED, IN COMPLIANCE WITH FLORIDA STATUTE 288.106(5)(c); AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO MAKE NON-SUBSTANTIVE MODIFICATIONS AND EXECUTE ALL CONTRACTS, AGREEMENTS, AND AMENDMENTS; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, the *Qualified Targeted Industry Tax Refund Confidential Project #10-00080* report, and the *QTI General Project Overview* application, copies of which are incorporated herein by reference; and

WHEREAS, this Project commits to bringing an additional 40 jobs to Miami-Dade County by December 31, 2012 with an average salary of \$80,000.00 and is located in an Enterprise Zone; and

WHEREAS, the County's current unemployment rate exceeds 10 percent, the need for net job creation is high, and declines in the rate of unemployment tend to lag economic recoveries,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board hereby finds that attracting, retaining and providing favorable conditions for the growth of target industries provides quality employment opportunities for residents of the County and enhances the County's economic foundation, and recommends that Confidential Project No. 10-00080 be approved as a qualified target industry business pursuant to Florida Statute 288.106, which created the Qualified Target Industry Tax Refund.

The necessary commitment of local financial support for Confidential Project No. 10-00080, as required under Florida Statute 288.106, exists in an amount not to exceed \$64,000 from General Revenue Funds; and this local financial support will be available in the following increments:

Fiscal Year 2014	\$10,666
Fiscal Year 2015	\$10,666
Fiscal Year 2016	\$10,667
Fiscal Year 2017	\$10,667
Fiscal Year 2018	\$10,667
Fiscal Year 2019	<u>\$10,667</u>
TOTAL	\$64,000

or payable over a time period and at annual amounts as determined by the State of Florida in its approval of Confidential Project No. 10-00080 application, as long as the \$64,000 is not exceeded with the provision that any tax abatement granted to Confidential Project No. 10-00080, under Florida Statute 196.1995, reduces any QTI tax refund by the amount of any such abatement granted, in compliance with Florida Statute 288.106(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 No. 10-00080 in compliance with the QTI Program.

The necessary commitment of local financial support shall be contingent on Confidential Project No. 10-00080 maintaining the jobs agreed to in this project's executed *General Project Overview* 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 **Dorrin D. Rolle**, who moved for its adoption. The motion was seconded by Commissioner **Dennis C. Moss** and upon being put to a vote, the vote was as follows:

Dennis C. Moss, Chairman	aye
Jose "Pepe" Diaz, Vice-Chairman	absent
Bruno A. Barreiro	aye
Carlos A. Gimenez	aye
Barbara J. Jordan	aye
Dorrin D. Rolle	aye
Katy Sorenson	aye
Sen. Javier D. Souto	aye
Audrey M. Edmonson	aye
Sally A. Heyman	absent
Joe A. Martinez	aye
Natacha Seijas	aye
Rebeca Sosa	aye

The Chairperson thereupon declared the resolution duly passed and adopted this 4th day of May, 2010. This resolution shall be 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: **DIANE COLLINS**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Rachel M. Wilhelm

**Florida Qualified Target
Industry Tax Refund
(QTI)
&
Miami-Dade County
Targeted Jobs Incentive
Fund (TJIF)**

Confidential Project #: 10-00080

**Prepared by the Beacon Council
March 2010**

Executive Summary for Project 10-00080

Background

Confidential Project #10-00080 is a subsidiary of a leading provider of pay-TV television content for Spanish and Portuguese speaking audiences. The company produces multiple pay-TV networks from its Miami headquarters, most of which are broadcast to pay-TV distributors from the Miami facility. The company's Latin American and US Hispanic channels are market leaders in their genre.

Confidential Project #10-00080 is currently looking for a facility and location better suited to its size and growth expectations. The business has started to outgrow its current building and multiple relocation options are currently under review, including sites in Miami and Latin America, as well as using current infrastructure at the parent company's corporate headquarters outside the State of Florida. Incentives are the key determinant in the Company's location decision.

The project will create 40 direct new jobs with an average annualized salary of \$80,000 in Miami-Dade County over a 3-year period and make a new capital investment of \$42 million. The average salary of \$80,000 represents 200% of the State average wage. New employees will be sourced from the local community and the company will locate in an Enterprise Zone.

The application of Confidential Project #10-0080 for a QTI/TJIF combination recognizes the creation of new, high-paying jobs and a substantial capital investment being committed by the project over the 6-year payout period. The enclosed QTI/TJIF application package requests a maximum of \$841,167 to be paid by the County over a period of six years (20% QTI at \$64,000 and 100% TJIF at \$777,167) and provides a combined positive benefit-cost ratio to the County of 1:1.1. The TJIF would represent a portion of the local 20% match for a proposed State of Florida's Quick Action Closing Fund incentive.

These are performance-based incentives. No funds will be provided to the Company until they meet all program and job creation requirements. Incentives that are provided are not cash grants; they are after-the-fact, performance-based refunds.

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

The Basic Assumptions

- The latest Miami-Dade County millage tax rates (2009) were used.
- This latest millage rate was used for the entire 6-year period analysis.

Conclusions

Based on the projected investment of \$42,000,000 in new real property, the project's 6-year property tax revenue from this expenditure will be: \$3,605,381.

- Miami-Dade County's general fund will receive \$923,175 for the 6-year period.
- Miami-Dade County Public Schools will receive \$1,525,618 for the 6-year period.
- The next largest tax revenue will go to special districts, including fire rescue, library and MSA.

INCENTIVE PROPOSAL SUMMARY:
CONFIDENTIAL PROJECT 10-00080

Project Summary:	
Project Name	#10-00080
New Jobs	40
Average Salary	\$80,000
New Capital Investment	\$42,000,000
New Square Footage	100,000
QTI and TJIF Breakdown:	
Total New Property Taxes (General Fund Only)	\$830,858
QTI Miami-Dade County Match (20%)	\$64,000
QTI Portion from Local Sales Taxes	\$10,309
QTI Portion from Local Property Taxes	\$53,691
TJIF Local Incentive Amount	\$777,167
Miami-Dade County QTI + TJIF Amount for Miami- Dade County	\$841,167
Net Revenue Benefit to Miami-Dade	\$92,318
Total Benefit-Cost Ratio	1:1.1

THE BEACON COUNCIL ECONOMIC IMPACT MODEL

Confidential Project 10-00080

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

Total Direct Jobs	5	10	40	40	40	40
Indirect Employment	4	8	30	30	30	30
<u>TOTAL EMPLOYMENT</u>	9	18	70	70	70	70

INCOME (\$1,000)

WAGES & SALARY

Total Direct Wages	\$400.0	\$824.0	\$3,394.9	\$3,496.7	\$3,601.6	\$3,709.7	\$15,426.9
Total Indirect Wages	\$150.0	\$309.0	\$1,273.1	\$1,311.3	\$1,350.6	\$1,391.1	\$5,785.1
TOTAL WAGES & SALARIES	\$550.0	\$1,133.0	\$4,668.0	\$4,808.0	\$4,952.2	\$5,100.8	\$21,212.0

<u>TOTAL INCOME</u>	\$550.0	\$1,133.0	\$4,668.0	\$4,808.0	\$4,952.2	\$5,100.8	\$21,212.0
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INCREMENTAL PROPERTY TAXES (\$1,000)

Building & Equipment Taxes

TOTAL PROPERTY TAXES	\$647.5	\$625.3	\$606.0	\$589.2	\$574.8	\$562.5	\$3,605.4
MIAMI-DADE PROPERTY TAXES	\$165.8	\$160.1	\$155.2	\$150.9	\$147.2	\$144.0	\$923.2

SALES TAXES (\$1,000)

Available Income	\$550.0	\$1,133.0	\$4,668.0	\$4,808.0	\$4,952.2	\$5,100.8	\$21,212.0
Less Federal Income Tax	\$440.0	\$906.4	\$3,734.4	\$3,846.4	\$3,961.8	\$4,080.6	\$16,969.6
Less Hous. Ins. Prop Tax	\$330.0	\$679.8	\$2,800.8	\$2,884.8	\$2,971.3	\$3,060.5	\$12,727.2
Less Savings, Life Insur.	\$297.0	\$611.8	\$2,520.7	\$2,596.3	\$2,674.2	\$2,754.4	\$11,454.5
Less Food, Drugs, Other Non-Tax	\$222.8	\$458.9	\$1,890.5	\$1,947.2	\$2,005.7	\$2,065.8	\$8,590.9
Avail. Income For Sales Tax	\$222.8	\$458.9	\$1,890.5	\$1,947.2	\$2,005.7	\$2,065.8	\$8,590.9
State Sales Tax Realized	\$13.4	\$27.5	\$113.4	\$116.8	\$120.3	\$123.9	\$515.5
Local Sales Tax Realized	\$0.3	\$0.6	\$2.3	\$2.3	\$2.4	\$2.5	\$10.3

<u>TOTAL</u>							
<u>SALES TAXES (\$1,000)</u>	\$13.6	\$28.1	\$115.7	\$119.2	\$122.7	\$126.4	\$525.8

<u>TOTAL MIAMI-DADE</u>							
<u>PROPERTY &</u>							
<u>SALES TAXES (\$1,000)</u>	\$166.1	\$160.7	\$157.4	\$153.2	\$149.6	\$146.5	\$933.5

<u>TOTAL</u>							
<u>PROPERTY &</u>							
<u>SALES TAXES (\$1,000)</u>	\$661.2	\$653.4	\$721.7	\$708.4	\$697.5	\$688.9	\$4,131.1

Tax Revenue by Government Entity
Year 1 through 6
Confidential Project 10-00080

Year	Value of Real Property \$24,000,000 1.015	Total 0.018894	County General 0.0048379	County Debt 0.000285	School 0.007995	State 0.0006585	Other Districts 0.0051176	City 0.0000
Year 1	\$19,584,000.00	\$370,020.10	\$94,745.43	\$5,581.44	\$156,574.08	\$12,896.06	\$100,223.08	\$0.00
Year 2	\$19,877,760.00	\$375,570.40	\$96,166.62	\$5,665.16	\$158,922.69	\$13,089.50	\$101,726.42	\$0.00
Year 3	\$20,175,926.40	\$381,203.95	\$97,609.11	\$5,750.14	\$161,306.53	\$13,285.85	\$103,252.32	\$0.00
Year 4	\$20,478,565.30	\$386,922.01	\$99,073.25	\$5,836.39	\$163,726.13	\$13,485.14	\$104,801.11	\$0.00
Year 5	\$20,785,743.78	\$392,725.84	\$100,559.35	\$5,923.94	\$166,182.02	\$13,687.41	\$106,373.12	\$0.00
Year 6	\$21,097,529.93	\$398,616.73	\$102,067.74	\$6,012.80	\$168,674.75	\$13,892.72	\$107,968.72	\$0.00
Total 6 Year Tax Revenue		\$2,305,059.03	\$590,221.50	\$34,769.86	\$975,386.21	\$80,336.69	\$624,344.77	\$0.00

Tax Revenue by Government Entity
Year 1 through 6
Confidential Project 10-00080

Year	Investment/Depreciation \$18,000,000 0.9	Total 0.018894	County General 0.0048379	County Debt 0.000285	School 0.007995	State 0.0006585	Other Districts 0.0051176	City 0.0000
Year 1	\$14,688,000.00	\$277,515.07	\$71,059.08	\$4,186.08	\$117,430.56	\$9,672.05	\$75,167.31	\$0.00
Year 2	\$13,219,200.00	\$249,763.56	\$63,953.17	\$3,767.47	\$105,687.50	\$8,704.84	\$67,650.58	\$0.00
Year 3	\$11,897,280.00	\$224,787.21	\$57,557.85	\$3,390.72	\$95,118.75	\$7,834.36	\$60,885.52	\$0.00
Year 4	\$10,707,552.00	\$202,308.49	\$51,802.07	\$3,051.65	\$85,606.88	\$7,050.92	\$54,796.97	\$0.00
Year 5	\$9,636,796.80	\$182,077.64	\$46,621.86	\$2,746.49	\$77,046.19	\$6,345.83	\$49,317.27	\$0.00
Year 6	\$8,673,117.12	\$163,869.87	\$41,959.67	\$2,471.84	\$69,341.57	\$5,711.25	\$44,385.54	\$0.00
Total 6 Year Tax Revenue		\$1,300,321.85	\$332,953.69	\$19,614.25	\$550,231.46	\$45,319.25	\$352,203.19	\$0.00

14

SIX YEAR PROJECTION
Year 1 through 6
Confidential Project 10-00080

Year	Realty + Equipment \$42,000,000	Total 0.018894	County General 0.0048379	County Debt 0.000285	School 0.007995	State 0.0006585	Other Districts 0.0051176	City 0.0000
Year 1	\$34,272,000.00	\$647,535.17	\$165,804.51	\$9,767.52	\$274,004.64	\$22,568.11	\$175,390.39	\$0.00
Year 2	\$33,096,960.00	\$625,333.96	\$160,119.78	\$9,432.63	\$264,610.20	\$21,794.35	\$169,377.00	\$0.00
Year 3	\$32,073,206.40	\$605,991.16	\$155,166.97	\$9,140.86	\$256,425.29	\$21,120.21	\$164,137.84	\$0.00
Year 4	\$31,186,117.30	\$589,230.50	\$150,875.32	\$8,888.04	\$249,333.01	\$20,536.06	\$159,598.07	\$0.00
Year 5	\$30,422,540.58	\$574,803.48	\$147,181.21	\$8,670.42	\$243,228.21	\$20,033.24	\$155,690.39	\$0.00
Year 6	\$29,770,647.05	\$562,486.61	\$144,027.41	\$8,484.63	\$238,016.32	\$19,603.97	\$152,354.26	\$0.00
Total 6 Year Tax Revenue		\$3,605,380.88	\$923,175.20	\$54,384.12	\$1,525,617.66	\$125,655.94	\$976,547.96	\$0.00

GENERAL PROJECT OVERVIEW

Name of Business

10-00080

Project Title or Code Name (1-5 word description)

FOR EFI USE ONLY

Date Received

Date Revised

Date Completed

EFI Project Number

Contact Enterprise Florida to discuss your project and application **before** submitting a formal proposal. The completed and signed application must be filed with:



Enterprise Florida

The Atrium Building, Suite 201 • 325 John Knox Road
Tallahassee, Florida 32303
850/298-6620 • Fax: 850/298-6659
<http://www.eflorida.com/>

GENERAL PROJECT OVERVIEW

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

1. BUSINESS INFORMATION

- A. Name of Business Unit: _____
- B. Mailing Address: _____
Street Address
- Miami FL
City State Zip Code
- C. Name of Parent Company: _____
- D. Primary Business Unit Contact: _____
Title: _____
Mailing Address: _____
Street Address
- Miami FL
City State Zip Code
- Telephone: _____ Fax: _____
Email: _____ Website: _____
- E. Business Unit's Federal Employer Identification Number: _____
- F. Business Unit's Unemployment Compensation Number: _____
- G. Business Unit's Florida Sales Tax Registration Number: _____
- H. Is the business unit minority owned?
Yes ☐ No ☒ If yes, explain: _____
- I. What is the business unit's tax year (ex: Jan 1 to Dec 31): Jan 1 to Dec 31

2. PROJECT OVERVIEW

- A. Which of the following best describes this business unit¹:
- ☐ New business unit to Florida
- ☒ Existing Florida business creating and / or retaining jobs^{2,3}
- 385 If an expansion, how many jobs are currently in the expanding business unit?
- B. How many individuals are employed at all Florida locations? 385
- C. Are any jobs being transferred from other Florida locations⁴?
- Yes ☐ No ☒ If yes, how many jobs and from where? _____
- Why are these jobs moving and why is it justified in light of the statutory language governing the applicable incentive program(s)? _____

¹ 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.

² A QTI Tax Refund award cannot be granted for existing Florida jobs.

³ Incentives may not be used in connection with a project that involves the relocation of jobs from one Florida community to another except in certain circumstances as described in statute.

⁴ Incentives may not be used in connection with a project that involves the relocation of jobs from one Florida community to another except in certain circumstances as described in statute.

GENERAL PROJECT OVERVIEW

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

D. Give a full description of this project, including the primary business activities / functions:

The company is a subsidiary of a leading provider of pay-TV television content for Spanish and Portuguese speaking audiences. The company produces multiple pay-TV networks from its Miami headquarters, most of which are broadcast to pay-TV distributors from the Miami facility. The company's Latin American and US Hispanic channels are market leaders in their genre.

The company distributes its programming to over 24 million homes in every country in Latin America, the Caribbean, and the US. The company's two leading channels are rated in the top 10 of all pay-TV networks in most markets in Latin America. The company's primary revenue stream consists of fees charged to pay-TV distribution affiliates (e.g. cable and satellite companies) for network carriage. Selling commercial space to advertisers is the other important source of revenue. The company owns subsidiary companies in Mexico, Brazil, and Argentina which are primarily focused on affiliate and advertising sales.

The project is focused on providing the company with a facility and location better suited to its size and growth expectations. The business has started to outgrow its current building and multiple relocation options are currently under review, including sites in Miami and Latin America, or using current infrastructure at the parent company's corporate headquarters.

E. What is the project's Targeted Industry(ies)⁵: Regional Headquarters/Media

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

Business Unit Activities	NAICS Code	Project Function (total = 100%)	Annualized Wage (\$)
Pay-TV Subscription Programming	515210	100%	\$32,436K
		%	\$
Total		100%	\$32,436K

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

Street Address

City

State

Zip Code

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

Street Address

Miami

FL

City

State

Zip Code

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

Yes ☐

No ☒

If yes, attach a copy of the official document designating the Brownfield area.

Is the project location in an Enterprise Zone?

Yes ☐

No ☐

If yes, which zone?

TBD. One location is in an E.Z.

Is the project location in a designated Rural area?

⁵ Refer to the QTI Target Industry list.

GENERAL PROJECT OVERVIEW

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

Yes ☐ No ☒ If yes, which Rural area? _____

I. Which of the following describes the applicant's operations (select all that apply):

- ☐ Multi-state business enterprise
☒ Multinational business enterprise
☐ Florida business enterprise (eligible for Brownfield Redevelopment Bonus incentive only)

J. Which of the following describes this business unit (select all that apply):

- ☒ Regional headquarters office
☐ National headquarters office
☐ International headquarters office
☐ This is not a dedicated headquarters office

K. What is the estimated percentage of gross receipts or final sales resulting from this project that will be made outside of Florida (if sales is not a reasonable measure, use another basis for measure and provide explanation below):

95% Explain, if necessary: _____

3. JOB AND WAGE OVERVIEW

A. How many jobs⁶ are expected to be created as part of this project?

40

B. If an existing business unit, how many jobs are expected to be retained as part of this project? (jobs in jeopardy of leaving Florida should only be included here; these jobs are not eligible for QTI)

385

C. What is the anticipated annualized average wage (excluding benefits) of the new to Florida jobs created as part of this project? (Cash payments to the employees such as performance bonuses and overtime should be included. The wage reported here is only an estimate of the average wage to be paid and will not be used in the certification, agreement, and claim evaluation process.)

\$80,000

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

\$8,000

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

Health insurance, 401(K) contributions

4. CAPITAL INVESTMENT OVERVIEW

A. Describe the capital investment in real and personal property (Examples: construction of new facility; remodeling of facility; upgrading, replacing, or buying new equipment. Do not include the value of land purchased for construction of a new building):
Construction of a new facility to house all company activities, including management, sales, and TV production center. Investment and installation of equipment for TV production center.

B. Will this facility be:

- ☒ Leased space with renovations or build out
☐ Land purchase and construction of a new building

⁶ A "full time equivalent job" means at least 35 hours of paid work per week.

GENERAL PROJECT OVERVIEW

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

- ☐ Purchase of existing building(s) with renovations
- ☐ Addition to existing building(s) (already owned)
- ☐ Other (please describe in 4A above)

C. List the anticipated amount and type of major capital investment to be made by the applicant in connection with this project: (attach separate schedule if investment will be made over more than three years)

	Year 1	Year 2	Year 3
Land	\$	\$	\$
Construction / Renovations	\$24,000,000	\$	\$
Manufacturing Equipment	\$	\$	\$
R&D Equipment	\$	\$	\$
Other Equipment (computer equipment, office furniture, etc.)	\$18,000,000	\$	\$
Total Capital Investment	\$42,000,000	\$	\$

- D. What is the estimated square footage of the new or expanded facility? 100,000 RSF
- E. When is the final location decision anticipated (date)? Q2 2010
- F. What is the anticipated date construction will begin? June 1, 2010
- G. What is the anticipated date operations will commence? September 1, 2012

5. COMPETITIVE LANDSCAPE

- A. What role will the incentive(s) play in the business unit's decision to locate, expand, or remain in Florida?
The company is considering moving its headquarters to Latin America or to another region of the US to leverage its parent company's existing infrastructure. The company will have to develop an economically viable plan to remain in Miami.
- B. What other cities, states, or countries are being considered for this project?
Primary option is to move current business activities to existing infrastructure owned by the parent company in the mid-Atlantic region. Alternative option is to move TV production center to Argentina.
- C. What advantages or incentives offered by these locations do you consider important in your decision?
The parent company locations leverage existing company infrastructure. The Argentina location offers low labor costs.
- D. Indicate any additional internal or external competitive issues impacting this project's location decision?

6. ECONOMIC IMPACT AND CORPORATE RESPONSIBILITY

- A. Provide a brief synopsis of the special impacts the project is expected to stimulate in the community, the state, and the regional economy. Include the impact on indicators such as unemployment rate, poverty rate, and per capita income.
The company provides several hundred highly compensated professional jobs for the community. The company is one of the largest media sector employers in the

GENERAL PROJECT OVERVIEW

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

region, contributing significantly to Miami's status as a Latin media cluster through its interactions with the locally-based advertising community and a large local vendor base. As a leading exporter of media content, the company also contributes to the community's status as a cultural capital of Latin America and the US Hispanic market. The company is in the vanguard of developing and implementing cutting edge media technologies to its markets, including digital media and HD programming content.

The construction of the company's new facility will contribute to the creation and retention of jobs in Miami-Dade and reinforce Miami-Dade's position as an attractive international business hub for Regional HQ's.

-
- B. Provide a summary of past activities in Florida and in other states particularly as they relate to environmental or growth management impacts.** For example, what kind of corporate citizen has the applicant been? Also list awards or commendations. Environmental sustainability is at the core of the company's corporate strategy, and is directly reflected in its program content. The company has received numerous awards for its contributions to the environment, and plays an active role supporting education in developing countries. The company has also been recognized for its progressive and family friendly employment practices.
-

- C. List and explain any criminal or civil fines or penalties or ongoing investigations that have been imposed upon the company, its executives, or its affiliates and any recent bankruptcy proceedings of the applicant or its parent company.**
- In the normal course of business, the company has pending claims and legal proceedings. It is the opinion of the company's management, based on information available at this time, that none of the current claims and proceedings will have a material adverse effect on the company's consolidated financial statements.
-

- D. Provide any additional information you wish to be considered as part of this incentive application or items that may provide supplementary background information on your project or company.**
-

7. CONFIDENTIALITY

- A. You may request that your project information (including information contained in this application) be confidential per F.S. 288.075, Confidentiality of Records for a 12 month period, with an additional 12 month extension available upon request for projects still under consideration.**

Please indicate your confidentiality preference: (Does not apply to SDST sales tax exemption applicants)

☒ Yes
☐ No

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

GENERAL PROJECT OVERVIEW

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

8. SIGNATURES

Application Completed By:

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

Signature

Signature (Authorized Company Officer)
REQUIRED

Name

Name

Title

Title

Company

Company

Address, if different than mailing address

Address, if different than mailing address

Phone Number

Phone Number

Fax Number

Fax Number

Email Address

Email Address

Date

Date

Name of contact person, if different than above

Phone Number

Address

Email Address

Qualified Target Industry Tax Refund Attachment to the General Project Overview

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

Confidential Project # 10-00080

Name of Business

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

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

Be sure to submit the General Project Overview and Local Support Resolution¹ following passage by the City / County

1. PROJECT EMPLOYMENT AND WAGE COMMITMENTS

A. What is the total number of net new full-time equivalent Florida jobs created by the project at the business unit²? 40

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	5	12/31/12
II	5	12/31/13
III	30	12/31/14
Total	40	

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

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

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

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

☒ \$80,000, which is at least 200% of the average wage in State of Florida.

2. LOCAL FINANCIAL SUPPORT

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

Miami-Dade County

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

March/April 2010

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

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

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

Qualified Target Industry Tax Refund Attachment to the General Project Overview

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

3. SIGNATURES

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

Date

Address (if different)

Phone Number (if different)

Signature (Authorized Company Officer) REQUIRED

Date

Name and Title of Authorized Officer

4. KEY QTI PROGRAM INFORMATION

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

Quick Action Closing Fund Attachment to the General Project Overview

Confidential Project #10-00080

Name of Business

FOR EFI USE ONLY		
Date Received	Date Revised	Date Completed

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 attach the General Project Overview* * *

1. PROJECT OVERVIEW

- A. Site location decision date:** Q2 2010
- B. What is the total number of net new full-time equivalent Florida jobs to be created and/or retained by the project at the business unit?**
- | | |
|----------------|-----|
| Jobs Created: | 40 |
| Jobs Retained: | 385 |
- C. Provide the job creation schedule to which you commit:** (Please limit job creation to no less than ten jobs in the first year and the phases to a maximum of three consecutive years unless extraordinary circumstances warrant consideration of additional phases).

Phase	Number of net new full-time equivalent Florida jobs		Date by which jobs will be implemented
	Created	Retained	
I	5	385	12/31/12
II	5	0	12/31/13
III	30	0	12/31/14
Total	40	385	

- D. For the purposes of certification, agreement, and claim review, indicate the average wage to which you commit:** \$80,000

2. PROJECT NEEDS AND IMPACTS

- A. Provide a quantitative measure of Florida's competitive disadvantage and identify the major source(s) of that disadvantage:**

The Company is considering moving its headquarters to Latin America or to another region of the US to leverage its parent company's existing infrastructure. The Company will have to develop an economically viable plan to remain in Miami.

Primary option is to move current business activities to existing infrastructure owned by the parent company in the mid-Atlantic region. Alternative option is to move TV production center to Argentina.

The parent company locations leverage existing company infrastructure. The Argentina location offers low labor costs.

- B. Indicate the type and amount of financial or other support to be provided by the**

Quick Action Closing Fund Attachment to the General Project Overview

local community for this project:

Targeted Job Incentive Fund incentive.

C. Specify the project needs that will be satisfied by the requested funds:

The requested funds have the potential to close the financial gap between the Miami option and the other two options under consideration. The requested funds would be utilized primarily to acquire broadcasting equipment and build technical infrastructure for the new facility.

D. Identify special impacts the facility is expected to stimulate in a particular business sector, the state or regional economy, and in state universities and community colleges:

The Company provides several hundred highly compensated professional jobs for the community. A considerable portion of current employees attended Florida state universities and community colleges. The Company is one of the largest media sector employers in the region, contributing significantly to Miami's status as a Latin media cluster through its interactions with the locally-based advertising community and a large local vendor base. As a leading exporter of media content, the Company also contributes to the community's status as a cultural capital of Latin America and the US Hispanic market. The Company is in the vanguard of developing and implementing cutting edge media technologies to its markets, including digital media and HD programming content.

The construction of the Company's new facility will contribute to the creation and retention of jobs in Miami-Dade and reinforce Miami-Dade's position as an attractive international business hub for Regional HQ's.

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 QUICK ACTION CLOSING FUND PROGRAM INFORMATION

Quick Action Closing Fund

Attachment to the General Project Overview

- The Quick Action Closing Fund is a grant paid to a business upon achievement of pre-defined "payment criteria". Enterprise Florida will work with the company and OTTED to determine appropriate payment criteria for this project.
- Enterprise Florida will also work with the company and OTTED to determine "performance criteria", which are criteria that must be met in order for the company to retain the funds. If the performance criteria are not met, penalty sanctions may be imposed that include repayment of a portion or the entire Closing Fund award, with interest.
- Projects eligible for receipt of funds from the Quick Action Closing Fund shall:
 - A. Be in an industry as referenced in s. 288.106 [Qualified Target Industry].
 - B. Have a positive payback ratio of at least 5 to 1.
 - C. Be an inducement to the project's location or expansion in the state.
 - D. Pay an average annual wage of at least 125 percent of the areawide or statewide private sector average wage.
 - E. Be supported by the local community in which the project is to be located.
- Quick Action Closing Fund: Section 288.1088, Florida Statutes



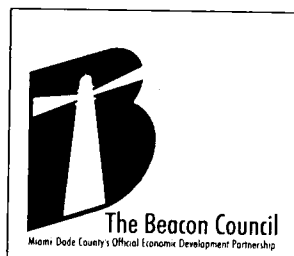
Application and Agreement for Targeted Jobs Incentive Fund (TJIF)

Confidential Project #10-00080

Name of Business

(Note: if name of company is confidential at time of application, said company name shall be provided and appended to this Application and Agreement by _____.)

Important: This Application and Agreement for TJIF shall be in compliance with Miami-Dade County Board of County Commissioners Ordinance No. 00-98 as codified in the Code of Miami-Dade County, Chapter 2, Article LXXXVI, and as further modified by Ordinance No. 02-251, as may be amended.



The Beacon Council
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Miami, FL 33130
Phone: 305-579-1300
Fax: 305-579-7580
www.beaconcouncil.com



Section 1. Targeted Jobs Incentive Fund (TJIF) Background

- 1.1 The Targeted Jobs Incentive Fund is an initiative fashioned by The Beacon Council and Miami-Dade County and patterned after the State of Florida Qualified Target Industry Tax Refund Program (QTI). The program's intent is to attract relocating out-of-area businesses and encourage expansion of existing local companies by providing cash incentive awards. As with the QTI Program, a Company is required to create a certain number of jobs and must also generate enough new revenue to Miami-Dade County to fund its TJIF benefit. While the State's QTI program is limited to certain industries, including corporate headquarters relocation, the TJIF Program may also be utilized for the One Community One Goal (OCOG) industries, as well as the expansion and/or relocation of other operational components of a business (i.e. sales office, warehouse).
- 1.2 The TJIF is an inducement program available only to companies from outside the County (with the exception of Palm Beach, Broward, and Monroe Counties) wishing to relocate here, and to Miami-Dade companies which undertake a business expansion and which create jobs as a result of the local expansion. Nevertheless, a Palm Beach, Broward or Monroe County-located Company that is planning to relocate outside South Florida is eligible for this program. The Company must provide verifiable documentation supporting its consideration of other locales. Any business decisions, such as announcements, leasing of space or hiring of employees, made prior to the final TJIF approval will likely be grounds for disapproval unless waived by the Miami-Dade County Manager after a showing of good cause.
- 1.3 Although the TJIF is available to companies countywide, it is also used to encourage investment and the creation of jobs in Enterprise Zones, the Empowerment Zone and in Urban Targeted Areas by providing business with an additional award per job if the Company locates within these specified areas.
- 1.4 Another goal of the TJIF is to encourage companies to hire residents living in Enterprise Zones, the Empowerment Zone and Urban Targeted Areas. Companies hiring said residents will be eligible to receive an additional amount per new job created.
- 1.5 The TJIF program is strictly a performance-based incentive that is only paid out to the Company after it has met all of its job creation projections, capital investment commitments and must provide the incremental tax revenue necessary to fund the award.

Section 2. Criteria

- 2.1 The Targeted Jobs Incentive Fund (TJIF) is limited to the targeted industries as per the State of Florida QTI Program. In addition, the One Community One Goal (OCOG) target industries are also eligible, as are regional offices. They include, but are not limited to, the following:
- a. Corporate Headquarters and Regional Offices;
 - b. Research and Development;
 - c. Chemicals and Allied Products;
 - d. Rubber and Miscellaneous Plastics;
 - e. Fabricated Metal Products;
 - f. Industrial Machinery and Equipment;
 - g. Electronic and Other Electric Equipment;
 - h. Transportation and Transportation Equipment;
 - i. Instruments and Related Products;
 - j. Miscellaneous Manufacturing;
 - k. Printing and Publishing;
 - l. Wholesale Distribution;
 - m. Business Services;
 - n. Security and Commodity Brokers;
 - o. Insurance Carriers;
 - p. Holding and other Investment Offices;
 - q. Non-Depository Credit Institutions;
 - r. Motion Pictures, Film and Entertainment, Sound Recording and Reproduction;
 - s. Communications;
 - t. Apparel and Other Textiles;
 - u. Lumber and Wood Products;
 - v. Furniture and Fixtures;
 - w. Paper and Allied Products;
 - x. Food Manufacturing;
 - y. Stone, Clay, and Glass Products;
 - z. Aviation;
 - aa. Biomedical;
 - bb. Financial Services;
 - cc. Computers and Information Technology;
 - dd. International Commerce;
 - ee. Telecommunications;
 - ff. Visitor and Tourism
- 2.2 The Company must create at least 10 new jobs. If the project is an expansion, the number of new jobs to be created must be the greater of a minimum of five new jobs or at least ten percent of the Company's work force at the time of application.
- 2.2 The County Commission, in recognition of its responsibility to set a community standard that permits full-time workers to live above the poverty line, enacted the Living Wage Ordinance, Section 2-8.9 Miami-Dade County Code. The County, through this ordinance sets an example by providing a living wage to County employees and requires living wages to be paid for County services provided by contractors and similarly by companies receiving incentives for job creation and capital investment through the TJIF program. http://www.miamidade.gov/dbd/library/Living_Wage_Brochure.pdf

- 2.3 The Company's countywide ad valorem property taxes, excluding debt service, and countywide portion of sale taxes paid must generate sufficient incremental tax revenue to the County in order to fund the award. Incremental revenue generated by the project shall be determined by utilizing an Economic Impact Model and analysis by both The Beacon Council and County staff. The project must exhibit a positive Return on Investment Incentive of at least 120%.
- 2.4 This Application and Agreement must be signed by the Company and Miami-Dade County stipulating the number of new jobs to be created, the projected amount of capital investment, the amount of the projected tax revenue and the time frame of when the project will be completed. Payment to the Company will only be made after it has achieved all economic benchmarks.
- 2.5 The TJIF is an inducement program that is only available to companies considering a relocation and/or expansion in Miami-Dade County and one or more other communities. The TJIF is utilized to induce "New to Market" companies to relocate to Miami-Dade County (not available for companies located within Palm Beach, Broward and Monroe Counties unless a Company is planning to relocate outside South Florida). Companies located in other Florida counties are eligible for TJIF for any net new jobs being created in Miami-Dade County. The Company must provide verifiable documentation supporting its consideration of other locales. Any business decisions, such as announcements, leasing of space or hiring of employees, made prior to the final TJIF approval will likely be grounds for disapproval.

Section 3. Program Funding

- 3.1 Incremental tax revenue generated by the companies locating or expanding within Miami-Dade County funds the program.

Section 4. Award Amounts Provided By Miami-Dade County

- 4.1 The total TJIF award is based on the number of new jobs created and the amount of countywide ad valorem property taxes, excluding debt service, and countywide portion of sales taxes paid per annual amounts addressed in the approved application/agreement. The TJIF award is tentatively ascertained, pending Board approval, during application processing by entering application information into the Economic Impact Model. Miami-Dade County will provide a qualifying Company up to (\$9,000.00) per new job in TJIF incentives as follows:

The total award is based on the projected number of new jobs to be created and the amount of countywide ad valorem property taxes, excluding debt service, and countywide portion of sales taxes paid. The base award amount per new job created is up to \$3,000 if the Company is located outside any of the following areas:

Empowerment Zone
Enterprise Zone
Target Urban Area
Brownfields
Community Development Block Grant areas

If the Company is located within any of the above areas an additional bonus award of up to \$1,500 per new job created is available. Likewise, if the Company employs a resident of one of the above areas an additional bonus award of up to \$1,500 per new job created is also available.

Up to \$1,500 bonus for companies with a building or facility that qualifies as “green construction” and/or that incorporates alternative energy systems. Specially, a company can receive a bonus of up to \$1,000 if the Company’s building or facility qualifies as “green construction” and is certified through the Leadership in Energy and Environmental Design (LEED) Green Building Rating system by the Florida Green Building Council or by the U.S. Green Building Council; and an additional bonus of up to \$500 if the Company’s building or facility incorporates solar, thermal, photovoltaic, fuel cell, and/or co-generating energy generation. The alternative energy systems, with the exception of solar thermal, must be grid interconnected to the local utility to qualify.

Up to \$1,500 bonus, if the company is in the business of Solar Thermal and Photovoltaic Manufacturing, Installation and Repair.

Consideration for award within a municipality or unincorporated Miami-Dade County will be evaluated on a case-by-case basis.

- 4.2 A capital investment TJIF award may be provided to a Company when the minimum number of New Jobs has been created and when new capital investment by and/or for the Company exceeds \$3 million in taxable property value. For a period of up to six (6) years (or longer as may be determined by the Board), the Company may receive said capital investment TJIF awards in the amount of eighty percent (80%) of the amount of countywide ad valorem property taxes paid-in on the subject property and one hundred (100) percent of the amount of countywide ad valorem property taxes paid-in on the subject property if it is located in a Designated Priority Area. This award is not applicable to the ad valorem property taxes paid-in on the subject property's land value nor to any improvements in place prior to the project.
- 4.3 A Company may not receive award payments of more than twenty five percent (25%) 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 (or higher amount as may be determined by the Board for inside or outside a Designated Priority Area) if the project is located in a Designated Priority Area. Further, the total award is capped by the lower of the above or the total of the applicable ad valorem property and sales taxes paid-in as a result of the project. Additionally, a Company cannot receive both a TJIF award and Enterprise Zone Tax Abatements unless the TJIF award is in excess of the Abatement; a Company cannot receive both the TJIF award on large capital investment taxes paid-in and the TJIF regular ad valorem property tax funded award; and, while a Company can receive both a tax refund under the State of Florida Qualified Target Industry Program and a TJIF award at the same time, it cannot receive more than an amount equal to what it has paid-in under the project at any time.

Section 5. Payment of Incentive

- 5.1 The TJIF is a performance based incentive program; therefore, verification of the new jobs created, capital investment made by the Company, and new revenue generated to Miami-Dade County must be verified by the County prior to any disbursement of funds to the Company. This procedure must be repeated each year that the Company submits a claim for the TJIF payment. The year that is applicable for consideration of taxes paid-in resulting in incremental tax revenue is April 1 through March 31. Company award claims must be submitted each year during the period of April 1 through May 15. Any award appropriation, if made by the Miami-Dade County Board of County Commissioners will be paid in the County fiscal year that begins on October 1 following the May 15 claims-submission deadline date.
- 5.2 The TJIF incentive is paid out beginning after the first year the new jobs are created. For instance, if a Company has projected creating 400 new jobs, 100 per year during a four-year period, the incentive will be paid for the first 100 jobs in the year after the jobs have been created. Disbursement shall be over four years even if all the new jobs are created in one year. Payment to the Company will only be made after it has achieved all economic benchmarks. A Company's incremental tax revenue paid to Miami-Dade County must be sufficient to fund the Company's award. In keeping with the State QTI program requirements, a Company receiving a cash incentive award under this TJIF program and also applying for and receiving Enterprise Zone tax abatements, must, in any given year, have its TJIF cash incentive award reduced by the amount of any such tax abatement granted.

Section 6. Application Process

- 6.1 Any Company that meets the criteria and objectives of the TJIF must submit this Application and Agreement to The Beacon Council for review. The Beacon Council will prepare an economic impact analysis for the project, based on the information provided by the Company.
- 6.2 The completed Application and Agreement is submitted to Miami-Dade County for verification and concurrence with the economic impact analysis provided by The Beacon Council. The analysis should reflect a Return On Incentive Investment (ROI) of at least 120% if the Company is not located in a Designated Priority Area, at least 110% if the Company is located in a Designated Priority Area, and at least 100% if the Company is located in a Designated Priority Area and the Board of County Commissioners finds such increase is in the public's best interest and approves said ROI when jointly recommended by The Beacon Council and the County Manager. The Beacon Council presents Company Application and Agreement along with its analysis and recommendation to Miami-Dade County.

Section 7. Review and Approval Process

- 7.1 Upon Application and Agreement evaluation by the County, staff will recommend approval or denial to the County Manager and prepare an agenda item for the next available Board of County Commissioners meeting where the TJIF incentive is considered for approval. The County Manager will recommend Application and Agreement approval or denial to the Board of County Commissioners. Per Miami-Dade County Ordinance No. 00-98 creating this program as amended by Ordinance No. 02-251, the Board of County Commissioners shall have no obligation to approve any Application and Agreement before it.
- 7.2 The Beacon Council staff and a Company representative (when requested) will attend the Board of County Commissioners meeting to be available to answer any questions related to the project and the TJIF.
- 7.3 If the Board of County Commissioners approves the Application and Agreement, the Company and the County Manager will execute said document(s). Pursuant to Florida Statutes, § 288.075 and § 288.1066, confidentiality will be protected for any information regarding a project's location and/or expansion evaluation of any site in the State of Florida. If confidentiality is requested, the Company name and identifying information shall be provided by the Company by the date indicated on the cover page of this Application and Agreement and shall be appended hereto. Upon said approval, as the applying Company you will be sent a letter by The Beacon Council stipulating the conditions of the approval.

For more information please call Stephen Beatus, Associate Executive Vice President, The Beacon Council, at 305-579-1343.

Section 8. Application and Agreement Instructions

- 8.1 Please carefully review all Application and Agreement materials.
- 8.2 Contact The Beacon Council at the below address to discuss your project and application before submitting a formal proposal.
- 8.3 Any information or documentation that cannot be supplied in the provided space should be placed in a notebook or other presentation format. The material should be indexed, tabbed or labeled with the number of the relevant question from the Application and Agreement form.
- 8.4 The completed and signed Application and Agreement must be filed with:

The Beacon Council
Attn: Stephen Beatus, Associate Executive Vice President
Targeted Jobs Incentive Fund (TJIF)
80 S.W. 8th Street, Suite 2400
Miami, Florida 33130
Phone: 305-579-1343
Fax: 305-579-7580

- 8.5 **Important note: This Application and Agreement must be filed prior to making the decision to locate a new business in Miami-Dade County or to expand an existing Miami-Dade County business. However, an applying Company that has initiated such a business decision may, upon request and Beacon Council recommendation, be considered by the County Manager for preserving inducement. If the County Manager authorizes preserving inducement the applying company maintains TJIF program eligibility.**

Section 9. Employer Identification

- 9.1 **Please note: The following form may not provide enough space for required answers. Please attach a separate page with tabs that refers to the question number. Please include supporting documentation or explanation with responses where appropriate.**

9.2 TARGETED JOBS INCENTIVE FUND (TJIF)

- a) Name of TJIF Business: _____
Must be a business unit or reporting unit of a business that is registered with or will be registered with the Florida Department of Labor and Employment Security.
- b) Mailing Address: _____

- c) Primary Business contact -please include phone and fax numbers: Phone _____
 Email: _____ Fax: _____

- d) TJIF Business' federal employer identification number: _____
- e) TJIF Business' unemployment compensation identification number: _____
- f) TJIF Business' Florida sales tax registration number: _____
- g) List SIC codes of all activities of the TJIF business: _____
- h) Describe the TJIF business' primary business activities: Pay TV subscription programming.

- i) You may request that your project information (including the information contained in this application) be confidential per F.S. 288.075, Confidentiality of Records.
X YES, we Request Confidentiality
 _____ NO, we do not Request Confidentiality

- 9.3 a) Is the TJIF business 51% or more minority owned? _____ YES X NO

- b) If YES, please explain: _____

- c) Is the TJIF business certified as a Black Business Enterprise (BBE), Women Business Enterprise (WBE), Hispanic Business Enterprise (HBE), Community Small Business Enterprise (CSBE), Community Business Enterprise (CBE) and/or Disadvantaged Business Enterprise (DBE) pursuant to Miami-Dade County Code?
 _____ YES _____ X NO

- 9.4 a) Has the TJIF business ever been subjected to criminal or civil fines and penalties?
 _____ YES _____ NO

- b) If YES, please explain: _____

Section 10. Project Identification / Information

10.1 Description of the type of business activity or product covered by the project:

a) Is the business unit a (please choose one):

- New business to Miami-Dade County
- x An expansion of an existing Miami-Dade County business

b) How many Miami-Dade County-located employees are there currently in the expanding business unit: 385

c) Full project description: The company is a subsidiary of a leading provider of pay-TV television content for Spanish and Portuguese speaking audiences. The company produces multiple pay-TV networks from its Miami headquarters, most of which are broadcast to pay-TV distributors from the Miami facility. The company's Latin American and US Hispanic channels are market leaders in their genre.

The company distributes its programming to over 24 million homes in every country in Latin America, the Caribbean, and the US. The company's two leading channels are rated in the top 10 of all pay-TV networks in most markets in Latin America. The company's primary revenue stream consists of fees charged to pay-TV distribution affiliates (e.g. cable and satellite companies) for network carriage. Selling commercial space to advertisers is the other important source of revenue. The company owns subsidiary companies in Mexico, Brazil, and Argentina which are primarily focused on affiliate and advertising sales.

The project is focused on providing the company with a facility and location better suited to its size and growth expectations. The business has started to outgrow its current building and multiple relocation options are currently under review, including sites in Miami and Latin America, or utilizing current infrastructure at the parent company's corporate headquarters.

10.2 Check the appropriate box and complete the line item:

Project's current location, if applicable: _____

Project's proposed location, if different from above: TBD

Miami-Dade County Commission District: TBD

10.3 Check the boxes that best define your project:

- | | | | |
|---|-------------------------------------|---|--------------------------|
| 1 | regional headquarters office | 5 | manufacturer |
| 2 | national headquarters office | 6 | office |
| 3 | world headquarters office | 7 | sales & marketing |
| 4 | X Latin America headquarters office | 8 | warehouse / distribution |

10.4

If the project is not a headquarters, or if it includes other target industries, indicate the major industry groups(s) and the four-digit SIC code of each target industry or industries included in this project:

Business Activities	2-digit SIC Code	4-digit SIC Code

10.5 Project employment and wages:

- a) Existing jobs in Miami-Dade County 385
- b) Total number of new jobs projected to be created by the project at the business indicated in item 9.2.a): 40
- c) If new jobs are to be phased in, provide the date when each phase of employment will be fully implemented (please limit the job creation phases to three):

Phase	Total New Jobs	Date
I	5	12/31/12
II	5	12/31/13
III	30	12/31/14

- d) Annualized average wage (not including benefits) of all the new combined jobs created by the project at the business indicated in item 9.2.b): \$80,000
- e) Annualized average value of benefits associated with each new job created by the project at the business unit: \$8,000
- f) Square footage: EXISTING: 91,000 RSF NEW: 100,000 RSF

- 10.6 a) Anticipated commencement date of project: June 1, 2010
- b) Anticipated timeframe when the project will be completed: September 1, 2012

- 10.7 Amount of cash incentive award requested from Miami-Dade County \$ 708,849

Section 11. Project Impact Information

- 11.1 Miami-Dade County Ordinance 00-98 as amended by Ordinance 02-251 requires that Miami-Dade County review and evaluate the application based on the following issues. Therefore, thorough and concise responses to the items below are very important.

11.2 **Incentive Rationale:**

Provide a statement indicating why the incentive award is needed to further the project. What role will the incentive award play in the decision of the applicant to locate or expand in Miami-Dade County? Indicate whether or not there are other communities competing for this project, and if so, which communities, and what incentives are being offered by these communities. Also, specifically address the role the incentive will play in creating Miami-Dade County jobs. This statement should include an analysis of the impact of any incentive awards granted on the viability of the project and the probability that the project will occur in Miami-Dade County if such incentive awards are granted to the applicant, taking into account the expected long-term commitment of the applicant to economic growth and employment in Miami-Dade County.

The company is considering moving its headquarters to Latin America or to another region of the US to leverage its parent company's existing infrastructure. The company will have to develop an economically viable plan to remain in Miami.

Primary option is to move current business activities to existing infrastructure owned by the parent company in the mid-Atlantic region. Alternative option is to move TV production center to Argentina. The parent company locations leverage existing company infrastructure. The Argentina location offers low labor costs.

We do not believe that the Miami expansion project will be viable in the absence of incentive awards granted to the applicant.

11.3 **Project Impact:**

Provide a brief synopsis on the 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.

The company provides several hundred highly compensated professional jobs for the community. The company is one of the largest media sector employers in the region, contributing significantly to Miami's status as a Latin media cluster through its interactions with the locally-based advertising community and a large local vendor base. As a leading exporter of media content, the company also contributes to the community's status as a cultural capital of Latin America and the US Hispanic market. The company is in the vanguard of developing and implementing cutting edge media technologies to its markets, including digital media and HD programming content.

The construction of the Company's new facility will contribute to the creation and retention of jobs in Miami-Dade and reinforce Miami-Dade's position as an attractive international business hub for Regional HQ's.

11.4 **Environmental and Growth Management:**

Submit a brief review of the applicant's past activities in Miami-Dade County, Florida and in other states, particularly as they relate to environmental and growth management impacts and how these

have been handled. Have any criminal or civil fines or penalties been assessed? Have any awards been recommended or received? (Basically, what kind of corporate citizen has the applicant been?)

Environmental sustainability is at the core of the company's corporate strategy, and is directly reflected in its program content. The company has received numerous awards for its contributions to the environment, and plays an active role supporting education in developing countries. The company has also been recognized for its progressive and family friendly employment practices.

In the normal course of business, the company has pending claims and legal proceedings. It is the opinion of the company's management, based on information available at this time, that none of the current claims and proceedings will have a material adverse effect on the company's consolidated financial statements.

11.5 **Capital Investment:**

- a) Describe the capital investment in real and personal property (examples: construction of new facility; remodeling of facility; upgrading, replacing or buying new equipment):

Construction of new facility, purchase of equipment.

- b) List the amount and type (purchase of machinery/equipment, construction of buildings, etc.) of major capital investment to be made by the applicant in connection with this Miami-Dade County project:

Amount \$24,000,000	Construction/Renovations	
Amount \$	Manufacturing Equipment	
Amount \$18,000,000	Other Equipment	<u>TV production and broadcast</u>

11.6 **Indicate other incentive programs the Company will be applying for:**

- | | |
|--|---|
| ☐ Enterprise Zone Program | ☐ Property Tax Abatement |
| ☐ Refund of Impact Fees | ☐ Sales Tax Refunds |
| ☐ Jobs Tax Credit | ☐ Transportation "Road Fund" |
| X Qualified Target Industry | ☐ Quick Response Training |
| X Other <u>Quick Action Closing Fund</u> | |

Section 12. Please initial below indicating your agreement:

- 12.1 _____ that Miami-Dade County may review and verify the financial and personnel records of the Company and/or perform on site visits to verify employment relating to the New Jobs, review said financial and personnel records, and ascertain whether the Company is in project compliance;

- 12.2 _____ that compliance with the terms and conditions of the approved application/agreement is a condition precedent for the receipt of any TJIF award in a fiscal year and that Company failure to comply with the terms and conditions of the approved application/agreement results in the loss of eligibility for receipt of TJIF awards and the revocation by the County Manager or the TJIF Committee of the certification of the Company as a TJIF business;

- 12.3 _____ that the payment of TJIF awards are conditioned on and subject to specific annual appropriations by the Board sufficient to pay amounts under the approved application/agreement;
- 12.4 _____ that Miami-Dade County shall be notified in writing of any development that impacts the implementation or operation of this Agreement or the project that this Agreement covers. Such developments will include, but not be limited to: commencement of and full implementation of the project; significant project delays; cancellation of the project; and all material changes of the project; and
- 12.5 _____ that the Company will maintain personnel and financial records related to jobs, wages, and taxes paid which are the subject of this Agreement and submit summary reports of said records to Miami-Dade County as part of each annual claims-submission. The Company will retain said personnel and financial records for a period of three (3) years after payment of the last cash incentive award.

Section 16. Maximum Award and Agreement End Date

(To be completed by The Beacon Council and/or Miami-Dade County.)

16.1 \$ 777,167: The maximum amount of TJIF cash incentive awards which the Company is eligible to receive on the project.

<u>Maximum Award in Fiscal Year</u>	<u>Maximum Amount</u>
FY <u>2014</u>	\$ <u>129,527.83</u>
FY <u>2015</u>	\$ <u>129,527.83</u>
FY <u>2016</u>	\$ <u>129,527.83</u>
FY <u>2017</u>	\$ <u>129,527.83</u>
FY <u>2018</u>	\$ <u>129,527.83</u>
FY <u>2019</u>	\$ <u>129,527.83</u>
FY _____	\$ _____
FY _____	\$ _____
FY _____	\$ _____
FY _____	\$ _____

16.3 The term of this Agreement shall commence upon full execution of this Agreement and continue through _____, unless terminated earlier in accordance with the Code of Miami-Dade County, Chapter 2, Article LXXXVI, and as further modified by Ordinance No. 02-251, as may be amended.

Section 17. Parties

The parties designate the following offices and addresses:

County:

Director, Office of Community and Economic Development
Miami-Dade County
701 N.W. 1st Court, 14th floor
Miami, FL 33136

Company:

Section 18. Termination

- 18.1 This Agreement may be terminated by Miami-Dade County upon failure of the Company to comply with any material term or condition of this Agreement or a decision by the Company not to proceed with the project. A termination will result in the loss of eligibility for receipt of all cash incentive awards previously approved and scheduled, but not paid, as well as the revocation of the certification as a TJIF business. The foregoing notwithstanding, in the event that Miami-Dade County fails to pay the Company a cash incentive award to which the Company is eligible under Agreement as a result of insufficient County funds or for any reason whatsoever, the Company shall have the right to terminate this Agreement and shall be entitled to retain any cash incentive award or credits previously paid or awarded to the Company by Miami-Dade County under this Agreement. Compliance with the terms and conditions of the Agreement is a condition precedent for receipt of cash incentive awards each year. The failure to comply with the terms and conditions of this Agreement shall result in the loss of eligibility for receipt of all cash incentive awards previously authorized pursuant to this section, and the revocation of the certification as a qualified applicant by the County Manager.
- 18.2 This Agreement may be terminated by Miami-Dade County if it finds that the Company has provided false or misleading information in any part of this Application and Agreement or if the Company attempts to meet any of its obligations under this TJIF Program through fraud, misrepresentation or material misstatement. If Miami-Dade County terminates this Agreement for breach of this Section 18.2, the Company shall within 90 days refund to the County all cash incentives awards paid to the Company as a result of the false information.

Section 19. Legal Requirements

- 19.1 This Agreement is executed and entered into in the State of Florida, and will be construed, performed and enforced in all respects in accordance with the laws and rules of the State of Florida. Each party will perform its obligations in accordance with the terms and conditions of this Agreement. Any and all litigation arising under this Agreement shall be brought in the appropriate court in Miami-Dade County, Florida. If any term or provision of the Agreement is found to be illegal and unenforceable, the remainder of the Agreement will remain in full force and effect and such term or provision will be deemed stricken.

IN WITNESS WHEREOF the Parties have caused this Agreement to be executed by their duly authorized representatives on this _____ day of _____, 2_____.

ATTEST: (SEAL)

MIAMI-DADE COUNTY, FLORIDA

By: _____
Print: _____
Title: _____

By: _____
Print: _____
Title: _____

Approved as to form and legal sufficiency:

By: _____
Assistant County Attorney

State of Florida)
County of Miami-Dade)

The foregoing instrument was acknowledged before me by _____,
County Manager, and _____, Deputy Clerk, respectively, on behalf of Miami-Dade
County, Florida, this _____ day of _____, _____.

Notary Public - State of Florida
Print Name: _____
Commission expires: _____

ATTEST: (SEAL)

Company name: _____

By: _____
Print: _____
Title: _____

By: _____
Print: _____
Title: _____

State of Florida)
County of Miami-Dade)

The foregoing instrument was acknowledged before me by _____,
_____(Title), on behalf of _____(Company), this _____ day
of _____, _____.

Notary Public - State of Florida
Print Name: _____
Commission expires: _____